Past, Present and Future of Democracy - Policy Review

Merkel, Wolfgang

Veröffentlichungsversion / Published Version
Monographie / monograph

Merkel, Wolfgang

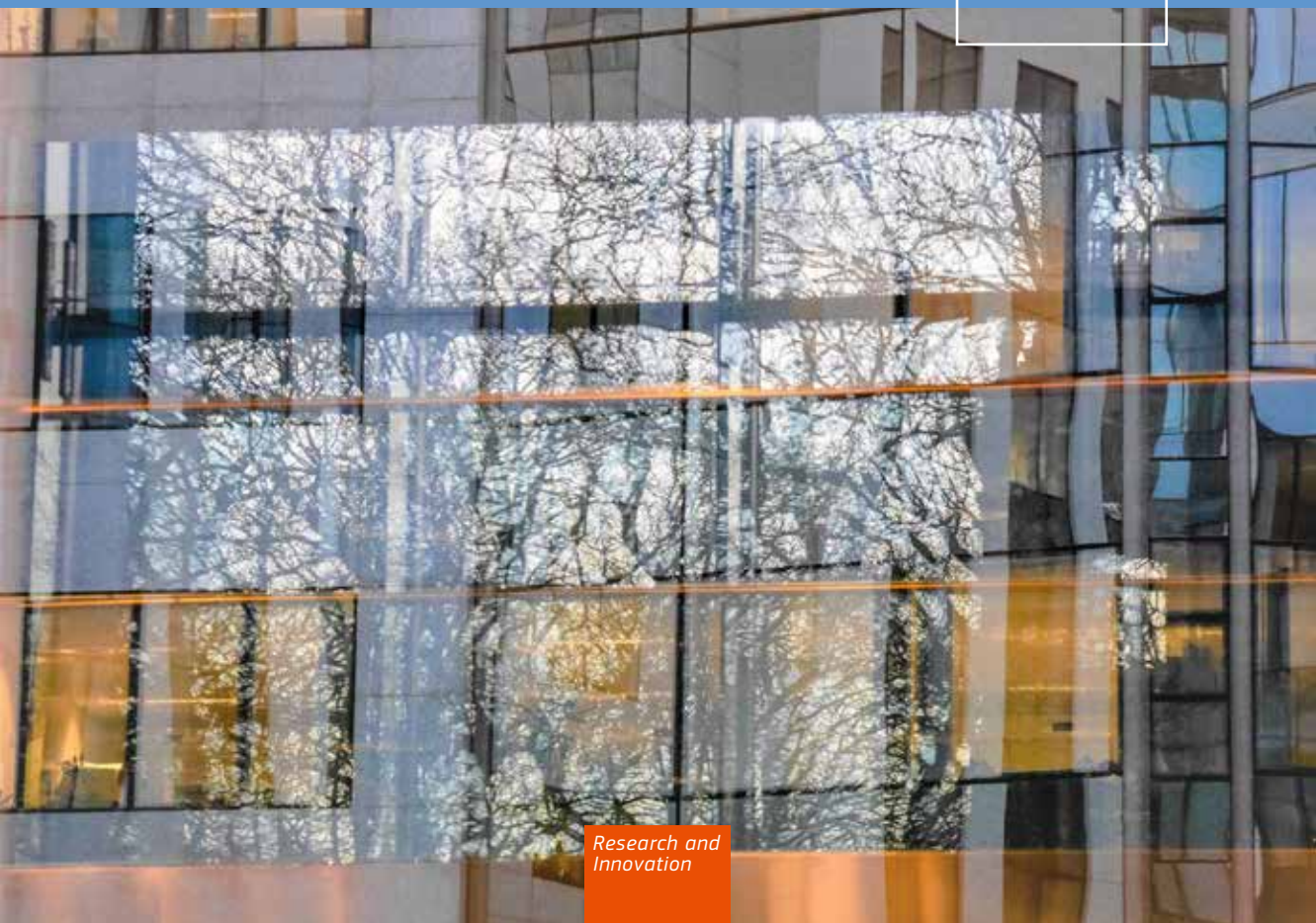
Past, Present and Future of Democracy - Policy Review

European Commission

Past, Present and Future of **Democracy**

Policy Review

Independent Expert Report



Research and Innovation

Past, Present and Future of Democracy - Policy Review

European Commission
Directorate-General for Research and Innovation
Directorate B — Open Innovation and Open Science
Unit B.6 — Open and Inclusive Societies

Contact Georgios Papanagnou
Email georgios.papanagnou@ec.europa.eu
RTD-PUBLICATIONS@ec.europa.eu
European Commission
B-1049 Brussels

Printed by Publications Office in Luxembourg.

Manuscript completed in October 2018.

Luxembourg: Publications Office of the European Union, 2019

Print	ISBN 978-92-79-97402-1	doi:10.2777/20332	KI-03-18-458-EN-C
PDF	ISBN 978-92-79-97403-8	doi: 10.2777/281418	KI-03-18-458-EN-N

EUROPEAN COMMISSION

Past, Present and Future of Democracy

Policy Review

Written by Wolfgang Merkel, Director of the "Democracy and Democratisation" research program at the Social Science Research Centre Berlin (WZB) and Professor of Political Science at the Humboldt University Berlin

Directorate-General for Research and Innovation
Europe in a changing world – Inclusive, innovative and reflective societies
(Horizon 2020/SC6) and Cooperation Work Programme:
Socio-Economic Sciences and Humanities (FP7)

2019

In loving and respectful memory of Philippe Keraudren, former deputy head of the unit «Open and Inclusive Societies» at Directorate-General Research and Innovation, who envisioned and launched this Policy Review.

This review was edited by Georgios Papanagnou of Unit B6, «Open and Inclusive Societies». Catherine Lemaire provided editorial assistance. Zoltan Krasznai and Yuri Borgmann-Prebil contributed with invaluable feedback.

Table of Content

List of Figures

Foreword

European democracies face multiple challenges. Trust towards political parties and governing elites has been in decline for some time. In the aftermath of the financial and social crisis, the recent flows of migration and heightened security concerns politics have taken a turn towards polarisation and populism. The rise of «anti-establishment» parties and discourses and the appeal of political strongmen are indicative of a sense of malaise that seems to traverse liberal democracies.

At the same time, competing in the global economy, responding to international security threats, and reducing inequalities without breaking the economic and political ties that bind nations together, all require strong, performing but also politically legitimate institutions and coordinated action. There is a widespread perception that democracy is in need of reshaping with an emphasis on participation, engagement, transparency, responsiveness, accountability and effectiveness.

Now more than ever rich interdisciplinary research is necessary for building inclusive, open, fairer and altogether mode democratic societies.

Increasing democratic legitimacy in the EU through stronger citizen participation is a priority of the European Commission. The EU's Framework Programmes for Research and Innovation have devoted significant investments towards the study of democracy, political representation, rights and participation etc. As a result an impressive accumulation of knowledge about the past, present and future of democracy has occurred under FP7 and H2020 SC6 projects.

The present Policy Review takes stock of the results, findings and recommendations, and assesses the needs, gaps and pertinent foci for future European research on democracy. These should enrich future steps in the design and implementation of Horizon Europe. Finding ways of bolstering and improving our democratic institutions is a matter of paramount significance.

Jean-Eric Paquet
Director General DG RTD

Executive Summary

Democracies are under pressure. Although the established democracies exhibit a distinctively higher quality today than in their alleged golden years of the 1960s and the 70s, they seem more fragile and more vulnerable than in the past. This new paradox of developed but fragile democracies is increasingly sustained by the populist construction of a conflict between the democratic principles of popular sovereignty on the one hand and the constitutional-liberal sphere of civil rights and the rule of law on the other.

In the last 50 years, the democratization of democracy has primarily led to an expansion of the constitutional-liberal dimension. Those parts of the population in Western democracies who consider this liberalization to have gone too far or who feel neglected by the established organizations and institutions are now successfully mobilized by right-wing populists on both sides of the Atlantic. Right-wing populist parties are in the process of filling the representative gap that established parties have left open during the last three decades in Western and Eastern Europe.

In order to systematically examine the fragility and deficits of today's established democracies, one can look at three levels of the democratic system: the micro level, the meso level, and the macro level.

On the micro level of political attitudes, behaviour, voting, and participation, we can observe specific trends that are problematic for the stability on the meso level of political parties as well as the macro level of the core institutions of representative democracy. Electoral volatility is leading increasingly to insecurity among political parties and has, in some cases, triggered landslide shifts in the party system as in Italy, the Netherlands, Hungary, or France. The long trend of declining voter turnout has made most democracies suffer from declining electoral legitimacy in Eastern Europe. In Western Europe, the moderate electoral decline appears to have stopped due to a new polarization of electoral competition between populists and anti-populists. Although polarization has re-mobilized recently alienated voters, it has not changed the significant social selectivity of elections and other forms of political participation. The lower third of European societies rarely participates in political affairs. Our democracies have become "two-third democracies".

The shifting involvement of citizens has led to shifting structures in many party systems in the East and West. The two most important shifts are closely connected: The decline of catch-all parties and the rise of Right-Wing Populist parties (RWPs). The decline of catch-all parties (CAPs) as the dominant parties in post-war Europe seems to be irreversible. There are only a few classical CAPs left. The CAPs' decline is particularly problematic in times of heterogenization and polarization where these parties' traditional function of political socialization and integration is badly needed. The parties that benefit most from CAPs' decline are indeed RWPs, which split and polarize liberal societies instead of integrating them. Their illiberal ethnocentrism enjoys growing popularity and most of them can be considered as posing a major attack on the liberal dimension of democracy.

There are structural signs that the "populist split" will deepen and, therefore, the RWPs will continue to be relevant actors in liberal-democratic polities in Eastern and Western Europe. There is a new cleavage between cosmopolitans (open borders) and communitarians (closed borders) in our societies. The democratic version of communitarianism, based on

the social democratic idea of a solidaristic and egalitarian society, is in decline, whereas the nationalistic communitarianism represented by RWPs is on the rise.

European party systems have become more volatile, polarized, and fragmented. This will make it more difficult to form stable coalition governments that are ideologically close enough to produce solid policy responses to the social, economic, and environmental challenges of our time. Democracy on the systemic macro level will have to deal with this new insecurity.

On all three levels, the new forms of deregulated and globalized markets pose a major challenge to one of the core democratic principles, namely that of (political) equality. At the same time, the power of global firms and the simultaneous erosion of trade unions and labour-based parties have created an imbalance between capital and labour that is reinforced by the diminished role national government can play in dealing with global players such as Google or Facebook. It is not that democracy has to be made compatible with global markets, but global markets with democracy.

If the core representative institutions that are parties, parliaments, and governments lose trust and acceptance among the citizens, will so-called democratic innovations strengthen participation and direct democracy? Here, the balance sheet is mixed. Referenda, the oldest form of direct democracy within representative settings, nurture the citizens' belief in democracy in general and the political community in particular. However, they may also produce illiberal results and may nurture anti-EU sentiments. More innovative forms such as deliberative polling, deliberative mini-publics, participatory budgeting, citizen assemblies, e-town hall meetings, or other forms of digital democracy are relevant for strengthening participation. But all these innovations have two sides. On the one hand, they bring creative new initiatives into democratic politics, but on the other hand, they demand high cognitive and time resources that the better-educated middle and upper classes can more easily draw on than the aforementioned lower third of society. All democratic innovations have to be assessed on whether they aggravate or not the social divide in political participation. Here, we need more empirical research by non-partisan researchers. It also has to be considered that these direct forms of democracy should be compatible with the main norms and procedures of representative democracies. They should complement them, but not substitute or delegitimize them.

Democratic legitimacy seems to have lost its balance and compass. There has been or threatens to be a shift from technocratic governance, multilaterlism, supranantionalism, and consensual policymaking towards majoritarianism, unilateralism, nationalism, and polarization. Political elites have to react with reforms to defend liberal democracy against the illiberal populist and nationalist attacks. We need deeper insights into the reasons for these shifts on the micro, meso, and macro levels. Such highly relevant political research that can support political action in favour of democracy, its stability, and its further development. Simple muddling through or the desire to return to the status quo ante will not do.

The aim of this Review is twofold. On the hand it identifies those fields of democracy research and its findings where we already do know very much. Here we have to ask: What can we do in order to build further on that research? At the same time (and importantly) the Review focuses on research areas where we have considerable gaps in our knowledge about the workings of and present threats to democracy. What can we do in order to fill those gaps? The guiding idea is to systematically achieve a state of knowledge about the

present and future of democracy as a system, as a “Gestalt”. It is our firm conviction that forthcoming research on democracy can only be fully legitimated if itis both, scientifically and politically relevant. Without such knowledge political and social science cannot inform and support policymakers and representatives about possible and necessary reforms, their instruments, impacts, and potential consequences.

Introduction

Democracy is facing turbulent times. Many observers in the public domain and the media are seeing a crisis: The surge of right-wing populism in Eastern and Western Europe, a populist governing erratically the United States of America, political elites despised or even hated by growing numbers of citizens, declining levels of trust (Ruelens and Nicaise 2017). to core democratic institutions and very low participation levels for the lower socio-economic third of society all point to significant challenges (*inter alia* Crouch 2004; Della Porta 2013; Streeck 2014; Tormey 2015; Levitsky and Ziblatt 2018; Mounk 2018). Nonetheless, even if the general claim is "democracy is in crisis", it cannot be easily supported by empirical research (Merkel 2014b). There are indeed signs of a two-third democracy, broken promises, and unresolved challenges (Merkel and Kneip 2018, 1ff., 349ff.). However, the talk about an overall crisis of democracy is as old as democracy itself. The crisis discourse gained momentum in the early 1970s. Both Left and Right conducted the debate with vehemence and to some extent with similar structural arguments (see Offe 1984). Claus Offe's *Strukturprobleme des kapitalistischen Staates* (1972), James O'Connor's neo-Marxist theory of the *Fiscal Crisis of the State* (1973), and Jürgen Habermas' influential *Legitimation Crisis* (1975) heavily influenced the crisis discourse on democracy for years to come. The more conservative thinkers did not counter: they backed this analysis. The Report to the Trilateral Commission by Crozier, Huntington, and Watanuki (1975) also painted a gloomy picture of an overburdened democracy. Nevertheless, no established democracy has collapsed since then.

At the optimistic end of the twentieth century, the crisis debate lost its persuasive power, but gained new momentum and a global response immediately after the turn of the millennium in Chantal Mouffe's neo-Schmittian version of a de-politicized consensus democracy, in the post-democracy debate (Crouch 2004; Rancière 2006; Wolin 2008), in neo-democratic postulates (von Beyme 2013), and in post-structuralist (Agamben et al. 2011) or post-Marxist (Žižek 2011) critique. The overwhelming dominance of government and the economy over an eroding popular sovereignty (Agamben et al. 2011, 4) or the threat to national democratic sovereignty from progressive globalization (Held 1995) is addressed. Majoritarian, genuinely participatory organizations and institutions such as parties and parliaments are said to have lost legitimacy in comparison to governments, courts, expert commissions, and international regimes (Zürn 2011, 618ff.). And the broad discussion among proponents of a strong (Barber 1984), participatory (Warren 2001; 2009), or deliberative democracy (Fishkin 1991; Elster 1998; Dryzek 2000; Goodin 2008) has explicitly or implicitly assumed that current representative democracy is undergoing a crisis of participation (Saward 2010; Alonso et al. 2011). Critics often argue that without deliberative democratic innovations representative democracy is doomed to die. The message from left to right, from post-Marxists to neoconservatives in *political theory* is clear: democracy *as such* is in crisis, and particularly its representative institutions.

This report refutes the more simplifying arguments of the post-democracy and post-politics hypothesis. In particular, it rejects the empirically unsubstantiated thesis that there was a golden age of democracy sometime in the past, possibly in the nineteen fifties, sixties, and early seventies (Crouch 2004). In the fifties and sixties of the past century women and wives were (even) legally disadvantaged at the labour market or in civil legal contracting, Afro-Americans were excluded from voting in six Southern States in the US (till 1965), in Switzerland women were banned from voting on the federal level until 1970, homosexuals were persecuted and imprisoned by criminal law in most of the European countries, and

the internal structures of political parties and trade unions were highly non-transparent, unaccountable and authoritarian. In those presumed *Trente Glorieuses* the liberal dimension and the democratic principle of legal and political equality between gender, races, ethnicities, as well hetero- and homosexuals were highly underdeveloped when compared to today's standards in most established democracies. It is especially after those glorious post-war decades that an intensive liberal democratization of democracy took place in Europe and the West. More individual rights, more gender equality, less discrimination of homosexuals, migrants, foreigners, and other minorities. Nevertheless, there were at least two spheres which were more under democratic control than fifty years later. The national economy and the protection of nation-state democracy from supranational interference[1]. Both represent ongoing unresolved challenges for Western democracies at present.

Empirical democracy research has always been more cautious in its statements. It also concedes that democracy faces partial challenges and problems. Russell J. Dalton (2008), for instance, notes declining confidence in political authorities and dissatisfaction with the workings of democracy among democrats, and Susan Pharr and Robert Putnam posit a deterioration in the capabilities of democratic institutions to stimulate political participation (Pharr and Putnam 2000, 25ff.). However, they do not see a crisis of democracy as a whole. Pippa Norris (1999; 2011) denies even a crisis of trust in democracy and speaks of "trendless fluctuations in system support" (Norris 2011, 241). The discontent itself is more an indicator that citizens have become more critical than a sign of a crisis of democracy. And if a—relatively harmless—democratic deficit is admitted, it is attributed to a combination of growing expectations among increasingly critical citizens, the influence of negative reporting in the media and the shortcomings in the performance of democratic governments to which precisely the media have drawn an asymmetrical attention to. In most recent times, i.e., the last five years it is above all the electoral success of mostly right-wing populism which challenges the liberal dimension of representative democracy (e.g., Mudde and Rovira Kaltwasser 2012; 2017; Müller 2016; Merkel and Scholl 2018; Spittler 2018).

Is the crisis of democracy then an invention of theoreticians, reasoned but aloof from empirical evidence in pursuit of an exaggerated normative democratic ideal? Or has empirical analysis focused too strongly on a partial diagnosis, failing to delve beneath the surface of survey data and electoral analysis, failing to recognize deeper crisis phenomena produced by the cumulative interdependence between single such phenomena?

The question of a crisis of democracy can be answered neither by general theories alone nor solely by empirical investigations indifferent to theory. The two strands have to mesh. Moreover, we argue that we have to disaggregate the two grand concepts of democracy and crisis in order to gain deeper and more specific insights into particular challenges of and threats to democracy. In addition, we have to look to the political answers by institutions, organizations and actors to those challenges. Where have they been successful in dealing with populists, socio-economic inequality, migration or the loss of power of the legislative branch within the constitutional order or where, when, how, and why did they fail? European research shows that it is above all comparative research on democracy which enriches our knowledge about the functioning or fails of democracy (inter alia CATCH-EyoU; CIT-PART; EUROPOLIS; PIDOP; for the whole list of projects please see: Annex). This does not

1 This includes the relation between the EU and its member states. We do believe that the future cannot be competition between nation states. But we also have to acknowledge the problems for democracy. Only if we acknowledge both facts can we look for profound and sustainable solutions.

mean that we should disregard case[2] studies. But they have to be understood within their specific historical, economic, cultural, and political contexts. Sweden is not Greece, not even Denmark, Germany is not France, the Netherlands are not Portugal. Their democracies display different features, strengths, weaknesses, and qualities (see democracybarometer.org). Small n and large n comparisons however, help us understand more about the causes behind the different developments of present day democracies. Without that knowledge successful reforms of democracy and its policies are more based on intuition, opportunism, or pure power seeking than on sound reasoning and empirical facts.

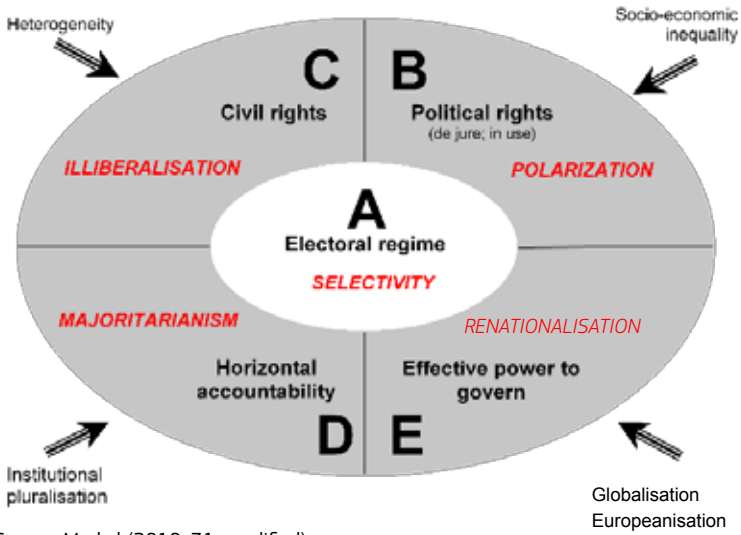
2 Those cases can be countries, parties, or voters.

1. Embedded Democracy: An Analytical Concept of Democracy

If we want to understand the vulnerabilities of democracy, if we want to understand to which form and substance well-established democracies are trending, we need an analytical model of democracy that goes beyond normative democratic theories and sweeping claims such as that the best days of democracy are over and we are already living in post-democratic times (see e.g., Crouch 2004). If we acknowledge that democracies can die (Keane 2009) and want to know "How Democracies Die" (Levitsky and Ziblatt 2018)[3] and how they "can be saved" (Della Porta 2011; Mounk 2018), we need an analytical concept that is normatively anchored in the sovereignty of the people and the liberal rule of law and that understands democracy as a "system" constituted by interdependent parts, which we call "partial regimes". Such a concept, called "embedded democracy" (Merkel 2004), has already been developed and is widely accepted within the community of political scientists and democratic scholars.

The concept of "embedded democracy" posits that stable rule-of-law democracies are doubly embedded: *internally*, in that the partial regimes of democracy secure their existence through functional interlocking; *externally* in that each partial regime is embedded through rings of conditions enabling democracy and is thus protected against both external and internal shocks and destabilization. If external embedding is damaged or underdeveloped, this, too can pose challenges within democracy. The notion of embedding pursues a systemic logic, namely the interdependence of the component parts. Critical changes in one partial regime can infect other partial regimes. To what extent this occurs depends above all on the intensity of the partial crisis and on the functional propinquity and resilience of each partial regime.

Figure 1: The concept of "embedded democracy"



Source: Merkel (2010, 31, modified).

3 The full title of the most recent book of Levitsky and Ziblatt (2018) suggests what we can learn from the past: "How Democracies Die. What history reveals about our future".

The partial regimes of embedded democracy

Five regimes constitute embedded (rule-of-law) democracy: the democratic electoral regime (A); the regime of political participation rights (B); the partial regime of civil liberties (C); the institutional safeguarding of mutual constraints and horizontal accountability (D); and the guarantee that the effective power to govern (E) of democratically elected representatives is ensured de jure and de facto.

A. Electoral regime. In representative democracy, the electoral regime occupies a key position because elections are the most visible expression of popular sovereignty. Those represented elect their representatives for a fixed period. Because of the open, pluralist competition for key governing positions, the electoral regime also constitutes the cardinal difference from dictatorship. This regime is concerned with participation and representation. Apart from the electorate, the most important actors in the regime are political parties, and to a lesser extent individual politicians standing for the highest government offices. What is at issue is therefore interaction between voters, parties, political elites, and parliaments.

Crisis phenomena. If a crisis infects the democratic electoral system, it strikes at the heart of democracy. If rights are curbed and/or the representative function of elections adversely affected, the crisis of democracy is already well advanced. But changes in voting behaviour, such as growing abstention, increasing volatility, or persistent de facto discrimination against women, certain ethnic groups or classes are critical early warning signs that participation and representation do not (or no longer) sufficiently cover the entire demos. In critical situations in established democracies, we often find serious de facto deterioration of the democratic functions of free elections, provoked by declining voter turnout and factual social selectivity with regard to certain groups and classes.

B. Political participation. The political rights of participation, which are the precondition for elections and go beyond them, complete the vertical dimension of democracy. Political rights of participation constitute the public arena as an autonomous sphere for political action in which organizational and communicative power unfolds. In this sphere, collective processes of organization, opinion, and will-formation determine and underpin competition for political positions of authority. The most important organized actors in this partial regime of established democracies are again political parties. But the domain reaches beyond parties to include social (protest) movements, nongovernmental organizations (NGOs), interest groups, direct-democratic forms of participation such as referendums, (deliberative) civic forums, institutional access to the planning of major infrastructure projects, and participatory budgeting. A pluralistic media system without a tendency to biased concentration is the best guarantee for the development of the free exchange of opinion.

Crisis phenomena. Changes in parties and in the party system can indicate critical tendencies in the political system. If catch-all parties lose votes, if anti-system and right-wing populist parties gain in strength, if the numerical and ideological configuration of the party system makes a stable government coalition almost impossible, and if parties lose the confidence of the electorate and their own members, mutating into cartels no longer embedded in society, then fundamental organizational pillars of representative democracy begin to totter. Where the lobby system is biased, for instance towards financially and organizationally strong interests, giving them privileged access to governmental decision makers, this can also erode the democratic principle of equality.

C. Civil liberties. Democratic elections and political participation need to be complemented by civil liberties and individual basic rights. As negative rights against the state, civil liberties limit the claim of the state to exercise power over individuals, thus enlarging the sphere for their free self-determination. Individual civil rights give legal protection to life, liberty, and property; they protect against unjustified detention, torture, surveillance, dataveillance, or unlawful intervention in private life. They curb the urge of the state to expand and control. Functionally, civil liberties and rights to political participation cannot be kept separate. They are equi-primordial (Habermas) both normatively and functionally. If the one is weakened, this reduces the efficient functioning of the other; if is it strengthened, it vitalizes the effectiveness of the other. Courts and civil-society associations addressing human and civil rights are the most important institutional and collective actors in this partial regime.

Crisis phenomena. If the civil rights of ethnic and religious groups, immigrants, structural minorities, or even of the entire populace are restricted, this worsens the quality of democracy in parts but need not lead to a direct crisis of democracy as a whole. In the long term, however, selective restriction of such rights or effective discrimination undermine the normative foundations of democracy. The same is true when, with the approval of the majority of citizens, government authorities unilaterally cancel the trade-off between internal security and the freedom of opinion and information to the detriment of individual liberties and informational self-determination, as happened in some Western democracies in the aftermath of 9/11.

D. Mutual constraints and horizontal accountability. The fourth partial regime of democracy under the rule of law consists in constitutional rules for the horizontal separation of powers. They are concerned with governmental structures and regulate the legality and monitoring of government action in the sense of the balanced, mutual interdependence and autonomy of legislature, executive, and judiciary. Governments are controlled not only periodically through elections but also continuously through mutually constraining constitutional branches of government. The independence of the judiciary and especially of its judges is of particular importance. The media, too, play a role as an important monitoring force in the form of an extra-constitutional 'fourth estate'.

Crisis phenomena. Crises of democracy are often characterized by a shift in power between the executive and the legislature to the detriment of the latter. This can be a slow, creeping process, but it can also happen fast in the face of economic, foreign or domestic political crises. If parliaments lose their legislative and control powers, this is a symptom of a crisis whose causes and consequences have to be examined. Constitutional courts as a special part of the judiciary can have an ambivalent effect on democracy. Owing to their relatively poor democratic legitimation, they cannot act in parallel to parliament as a legislature. This would amount to a judicialization of politics incompatible with democracy. But, as the guardian of the constitution, it is their duty to prevent temporary parliamentary majorities from passing unconstitutional legislation (Kneip 2009). This is one reason why anti-liberal parties often take aim at the independence of constitutional courts and later on the independence of the judiciary itself.

E. Effective governance. The fifth partial regime, the effective power to govern, determines that the only persons, organizations, and institutions entitled to make decisions binding on society as a whole are those directly legitimated in free elections or indirectly through nomination under constitutional law by constitutional bodies such as parliament and—with marked reservations—the government. A narrow framework has to be set for such indirect

nomination. Governments and parliaments must have the resources and decision-making autonomy to prevent extra-constitutional actors from usurping constitutional procedures and transform them in illegitimate forms of extraconstitutional private governance.

In effective and legitimate governance, too, the constitutional branches of government are the decisive actors. To a limited extent, supranational institutions like the European Union (EU) and international organizations like the World Trade Organization (WTO) or the United Nations can intervene in the governance of individual countries. With globalization and the deregulation of financial markets, actors with little or no democratic legitimation such as the International Monetary Fund (IMF), the European Central Bank (ECB), big banks, hedge funds, and global corporate players such as Google, Microsoft, and Facebook have been gaining influence limiting the powers of democratically legitimated governments.

Crisis phenomena. In democracies, neither the security apparatus nor powerful companies, banks, or financial funds must be allowed the last word on security, financial, or economic policy. The activities of global institutions such as the IMF and supranational institutions like the ECB can be seen as a problematic limitation of the sovereign prerogatives of parliament and government. The democratic question arises when supranational institutions or external actors intervene drastically in the budgetary policy of heavily indebted countries such as Greece, and to a minor degree Portugal, and Spain. Most particularly in an age of globalization, any crisis analysis must examine the extent to which the democratic sovereignty of the national demos is constrained by international organizations and powers lacking legitimation.

The outline of the analytical concept "embedded democracy" and its major challenges opens a more systematic and detailed view of the strengths, resilience, but also unresolved challenges of many democracies within the OECD world. It also fosters our understanding of the interdependencies within democracy as a system. We reject the general claim that "democracy is in crisis". There is no such thing in the real world as "the" democracy, but rather a variety of democracies. This is also the case in the European Union where democracies in Eastern Europe have other problems than those in Western Europe. But also within Western Europe we have to note that Northern democracies are more stable, accountable, responsive and transparent than most of the Southern ones (see *inter alia* democracybarometer.org). The main argument here is that there may be similar trends and challenges to democracy, but there are different responses, successes and failures in meeting them. We have to do more comparative empirical research in order to understand the dynamics of failure and success than just repeating sweeping general claims.

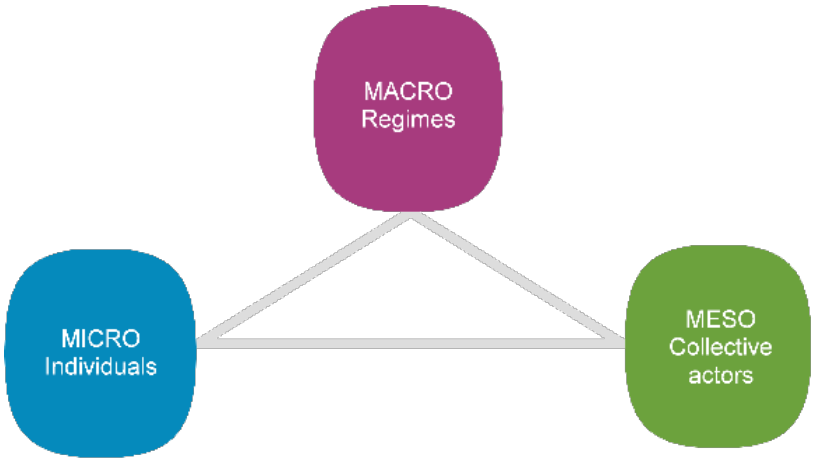
Against the background of the understanding that each democracy is embedded into an internal and external embeddedness we sketch out an analytical frame which allows us to connect the micro, meso, and macro levels of democracy. Such an approach opens the "black box democracy" to theoretically guided empirical research. The following section will analyse the state of the art of democracy research in order to disclose the gaps and lacunae which have to be filled.

2. Challenges to Representative Democracy

In order to give a systematic overview, insight, and outlook of present and future research on democracy, I will disaggregate the "system" democracy into three levels. Only if we unbundle democracy as a whole we can understand the simultaneity of progress and regression, positive and negative dynamics and interdependencies of the single parts of democracy such as institutions, organizations, actors and procedures. After such deeper detailed empirical analyses we can recompose all the single parts to a whole system of democracy again. Doing that we understand the present and future development of established democracies better than only looking from a theoretical holistic perspective. We distinguish between three fundamental levels of democracy:

- Micro level: it includes individual participation of the citizens in elections and beyond;
- Meso level: it includes parties, party systems, interest groups, NGOs;
- Macro level: looks at the systemic performance of democracy as a whole and the institutional order including governments, parliaments, judiciary.

Figure 2: Micro, meso, and macro levels of democracy as a system



2.1 Micro Level: Elections and Participation

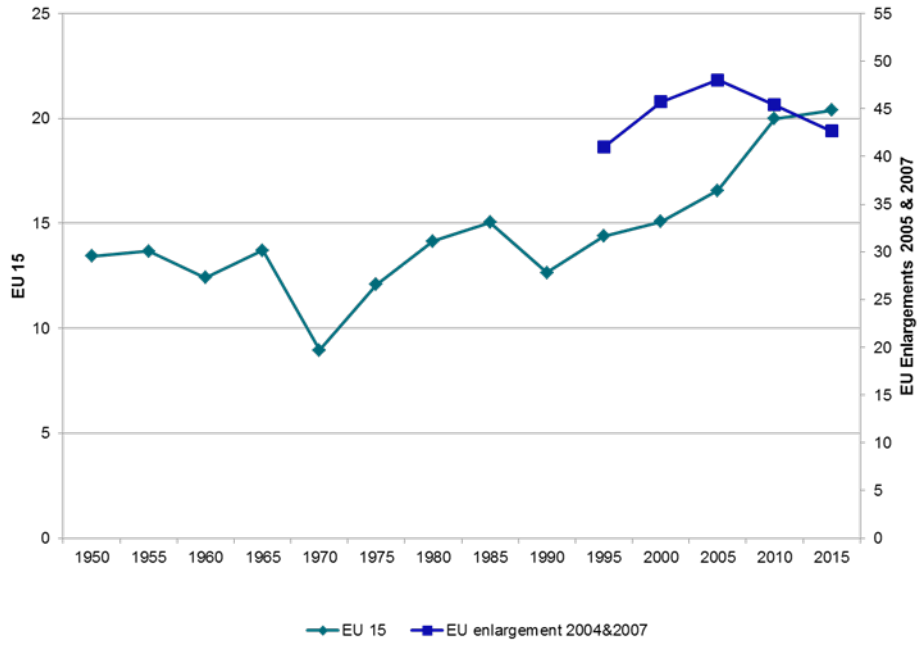
The micro level involves traditional, conventional, or new and unconventional political attitudes, behaviour and active participation of the citizens. At present there are profound changes going on at the micro level which have already been transformed into challenges at the meso (i.e., parties) and macro levels of representative democracy. The most prominent challenges at the micro level of individual political behaviour are: volatility, decline of voter turnout, social selectivity, polarization.

2.1.1 Volatility

European research and statistical data show that party identification becomes less frequent in Western democracies. Voters base their electoral decisions on more short-term factors. Increasing segments of the electorate switch their party preferences from election to election. This can be interpreted as a democratic push of informed and enlightened rational voters, but on the other side it contributes to more electoral instability and unpredicted changes in the party system. As a consequence the formation of governmental coalition becomes more complex, time consuming and unpredictable.

Which are these short-term factors, why and when are they relevant for the individual electoral decision and how does this change the relationship between citizens and parties? Which is the role of emotions, facts, and "alternative" facts in politics? To which degree are voter preferences and decisions based on well-informed and "rational" calculus? This touches upon the general question how are political attitudes formed, changed and activated but should now be specifically linked to the changing structure and nature of the media system.

Figure 3: Volatility Party Identification



2.1.2 Decline of Voter Turnout

Electoral turnout has been declining moderately, but steadily in Western Europe (WE). In Eastern Europe the electoral decline is dramatic: it almost equalled the West European turnout in the early 1990s (slightly below 80%). In 2016 the average turnout in Eastern Europe (EE) amounted to 55 per cent (in WE 73%). The rapid decline in EE poses serious questions of legitimacy for the new democracies in the East.

Figure 4: Decline of voters' turnout in Western Europe and after enlargement

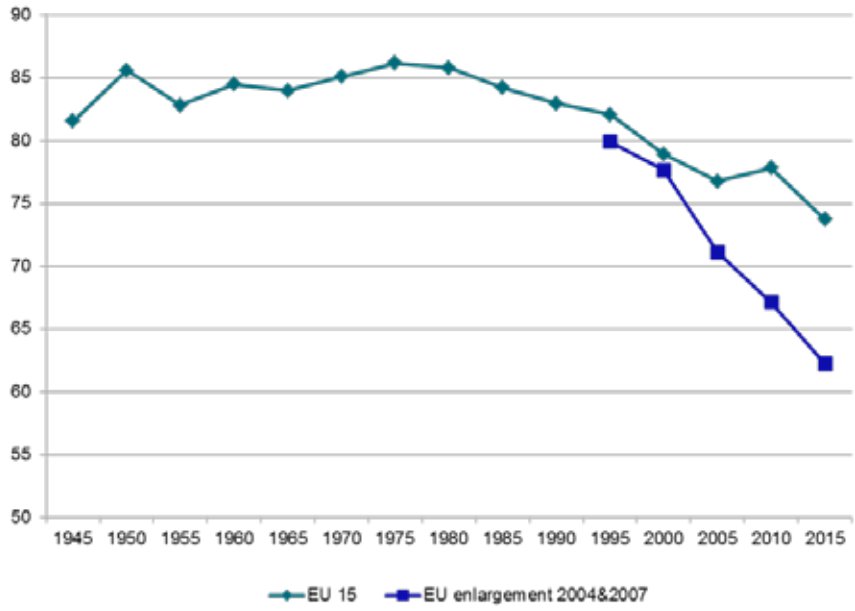
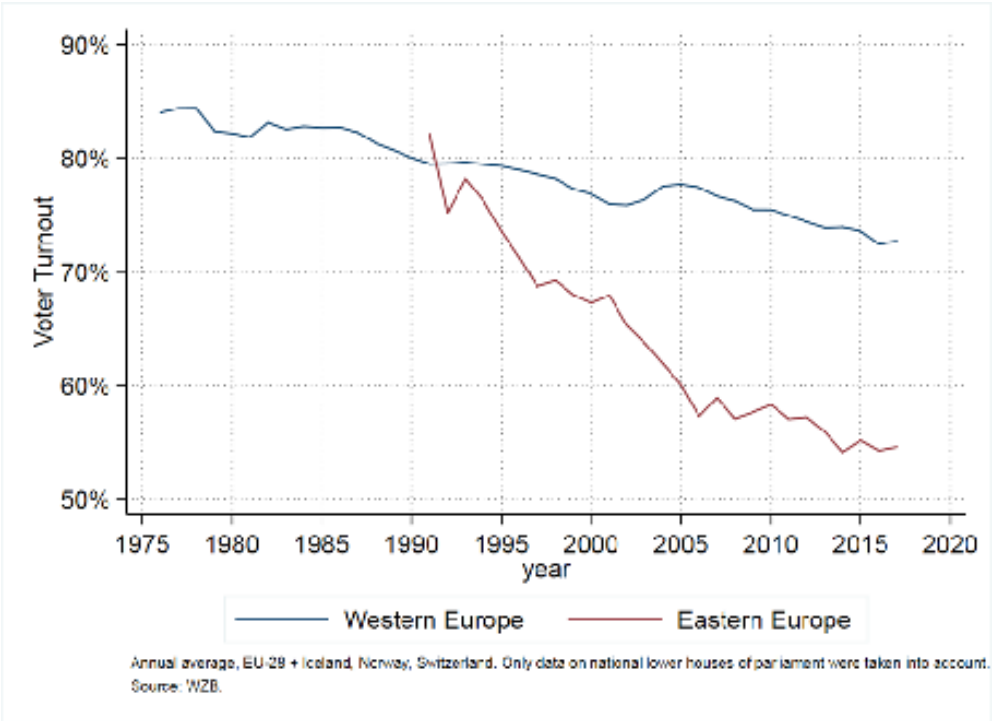


Figure 5: Decline of voters' turnout it Western and Eastern Europe



There is a growing number of citizens who abstain from elections. It is astonishing that even sophisticated electoral studies can tell us a lot about voters but not very much about non-voters. We need to know more about why citizens abstain from elections, who abstains (class, gender, age, ethnic minorities/majorities) and under which conditions those (disenchanted) voters can be democratically re-politicized and activated. As shown for example by projects MYPLACE and PIDOP the question of age is becoming particularly relevant for the future of democracy. The political participation rates of young citizens in general and the electoral participation in specific are significantly lower than those of the total electorate in general[4]. Most recent research on the declining political interest of younger cohorts in the US mirror the results of those European studies (Mounk 2018, 100). The question arises whether this is a transitory cohort effect or the younger generation will display this lower degree of political and electoral behaviour throughout its life cycle.

2.1.3 Social Selectivity

The declining electoral turnout per se is not the only legitimacy problem. But with declining turnouts we observe an increasing social selectivity. Those who abstain from voting are not the well-off in European societies, but the lower classes. The lower third seems to have almost dropped out from electoral participation and has never really participated in cognitively more demanding forms such as e-participation, deliberative forums, NGOs or mini-publics. Even in referenda the social selectivity bias is visibly higher than in electoral participation.

Projects like bEUcitizen[5], GINI, LIVEWHAT, and MYPLACE examine how socio-economic resources can affect political participation and the exercise of political rights. European research shows that the greater socio-economic differences are and the concomitant inequality in cognitive resources among citizens, the greater political inequality will be (Weßels 2018)[6]. The greater political inequality is, the more seriously the fundamental democratic principle of political equality will have been contravened. At least from this point of view, the egalitarian societies of Scandinavia provide better conditions for equal democratic elections than the unequal societies of Anglo-Saxon capitalism. However, that plausible hypothesis needs deeper systematic knowledge than we have so far.

The equal voting rights granted by formal equality before the law is only a necessary but not a sufficient condition for democratic elections to attain their full democratic significance. Democratization of democracy requires socio-economic inequality and inequalities in educational resources to be reduced in a manner compatible with the principles of equal freedom. This does not exclude "just" inequalities which are legitimated by meritocracy and have limits, so that they do not erode the social cohesion of the social and political economy. All things being equal, the less socio-economic inequality there is, the better the quality of democracy will be (Giebler and Merkel 2016).

There are preconditions for such a suggestive equation. One is the pluralistic assumption that free competition in democratic party systems also produces programmatic alternatives, representing different socio-economic and sociocultural interests. If this assumption is

4 See project MYPLACE WP6 Mapping Activism, D6.3 Transnational and European level report. PIDOP 2012 Policy Brief No. 6: What does quantitative research tell us about youth political and civic participation?

5 Report on voter turnout for the European Parliament and Political Equality in the EU (bEUcitizen Deliverable 8.6).

6 Shown equally by project ´(see Annex)

unfounded, elections lose much of their democratic meaning. Even the unequal distribution of educational resources would become largely irrelevant at the ballot box. Inequality between social strata in the distribution of knowledge, which also determines inequality in accurately choosing the right representatives, would then be unimportant if as a result party programmes offered no alternatives. That this is increasingly the case is a widespread topos in the critical debate on democracy and parties (*inter alia* Volkens and Merz 2018)[7].

2.1.4 Polarization

In most West European democracies political polarization has been on moderate levels for several decades. Political competition was characterized more by cooperation and centripetal tendencies. However, during the last two decades we observe an increasing radicalization of voter attitudes and preferences to the benefit of right-wing populist parties in most of the EU countries; and to a lesser degree of left-wing populist parties (Greece, Spain, Portugal) or anti-party movements such as in Italy. These are organizational manifestations of a significant discontent of citizens. While socio-economic polarization still matters significantly questions of cultural identity are increasingly polarizing advanced democratic societies. While dissatisfaction in democracies was conventionally seen as a major challenge (e.g., Pharr and Putnam 2000), post-Marxist (Neo-Schmittian) interpretations see it as a democratic chance to intensify public discourse and mobilize once disaffected citizens (back) into the political arena (including different forms of protest, manifestations, social movements, NGOs, and electoral participation) (inter alia Mouffe 2000; 2005).

Are these forms of re-politization dangerous because they often come from right-wing populist parties and movements or do they have unintended effects of democratizing democracy by filling (temporarily) a representative gap left open by established parties and institutions? Which effect has the identitarian polarization on the liberal and cosmopolitan openness of governmental policies and the democratic society as a whole?

2.1.5 Electoral Integrity

Elections, as the core of liberal democracy, are in danger of losing their democratic legitimacy (*inter alia* Norris 2014; 2015; 2017). There are allegations about electoral fraud, gerrymandering, voter manipulation (creation of fear, mixed messages via social media). Campaign finance regulations are lax and foreign states exercise their influence on the opinion-forming process. Traditional and electronic (social) media are increasingly instrumentalized by governments, contenders, populists, huge private corporations, and even foreign powers. These are not only defects of young unconsolidated democracies outside the OECD world. They already affected elections in well-established democracies in Europe, Japan and the US. So how and to what extent do these problems undermine political trust and electoral legitimacy in developed democracies? A critical review of Pippa

7 The Chapel Hill expert surveys (partly funded by the EU) estimate party positioning on European integration, ideology and policy issues for national parties in a variety of European countries. The first survey was conducted in 1999, with subsequent waves in 2002, 2006, 2010, 2014 and 2017. The number of countries increased from 14 Western European countries in 1999 to 24 current or prospective EU members in 2006 to 31 countries in 2014. The number of national parties examined has grown to 268.
The "Party Manifesto Team" has computerized data on a large sample of electoral party programmes (ca. 60 countries) since 1950. It can provide a fertile source to analyse the question how far those manifestos substantially differ, in which political items differences are small or big, and how much this impact on voter turnout and trust of citizens in parties and representative institutions.

Norris' project on "electoral integrity" and linking those varying results—which show a great variety of intensity even in Europe—to the systemic question of how representative democracies succeed or fail in the twenty-first century is of extraordinary interest.

Within democracy research electoral studies are methodologically one of the most sophisticated studies. Nevertheless, there are gaps and desiderata which have to be filled by future research if we want to understand the most recent trends of volatility, polarization, turnout, and social selectivity.

Specific *desiderata for electoral research* focusing on the question of stability and quality of democracy:

- Why do citizens not vote? Under which conditions would they participate in elections?
- Why do we find rather high voter turnouts in some countries and low in others? What are the causes and what impact will this have on the evolution of democracy in the different countries? Only if we understand those causes and impacts can we design reforms which contribute to the strengthening of democracy without facing (too many) unintended consequences.
- The same questions of causes and impact have to be raised with regard to radicalization and polarization of significant segments of the electorate.
- There is certainly an abundance of electoral research. But too often it is either of descriptive nature or not linked to the "democracy" question. But when media, citizens, activists, and political scientists (Van Reybrouk 2016) are increasingly asking whether elections can be still the main legitimate procedure to translate popular sovereignty into democratic representation, electoral research should focus more explicitly on the questions of stability and quality of democracy. This in itself may strengthen the democratic legitimacy of elections.[8]

2.2 Meso Level: Parties and Party Systems[9]

Micro and meso levels are closely linked and highly independent. Attitudes, preferences of individual voters (demand side) cannot be understood without the supply side, namely the specific programmatic offers of parties. Without pretending to answer once and for all this demand-supply side puzzle we assume that there is often an initial unfulfilled demand for specific social or substantive representation among voters, which will be picked up, magnified and stabilized by established parties or new political entrepreneurs. This is one factor that explains the emergence and success of right-wing and to a minor degree also left-wing populism[10] in Europe.

Eurobarometer has shown for more than two decades that political parties are held in low esteem by citizens. At present less than 20 per cent of the voters in the European Union

8 Please see below the democratic innovative capacity of non-electoral forms of political participation (see chapter: Democratic Innovations: Impact on Democracy).

9 Due to limited space, we focus here primarily on the most relevant political actors, namely political parties. Interest groups and NGOs were only included at the level of further research needs.

10 Not all populist movements can be simply subsumed under the label "right" or "left" as the example of Cinque Stelle in Italy demonstrates. Cinque Stelle contains leftist as well as rightist elements in its programs and strategies.

have "high trust" in political parties (Eurobarometer 2002-2016).[11] Considering the fact that political parties are the most important intermediary organizations between society and state and that they are the principal or the even exclusive gatekeeper to the parliament, low trust and esteem are a worrying fact with respect to their democratic legitimacy and representative democracy as a whole. Beyond the low trust in parties, parties and party systems are facing the following major challenges in Europe:

- Changing *forms* of intermediary actors:

At present political organizations, which can credibly distinguish themselves from the traditional form of parties, get rewarded in the electoral arena. Particularly relevant examples are: the movement "*Cinque Stelle*" has been the strongest "formation" in the parliamentary elections in Italy in 2018 (32%); *Podemos* scored 21.15 per cent in the Spanish elections of 2016 and came in third, only 1 per cent behind the Socialist Party; *Syriza* gained 35.5 per cent of the popular votes in 2015 and became by far the biggest party in Greece; *Syriza* may not be a movement, it is more a "coalition conglomerate" assembling several groups and movements of the Greek Left; Emmanuel Macron won the presidential and parliamentary elections in France in 2017 by distancing "his movement" *La République en Marche* (LREM) from traditional parties; LREM received 28.2 per cent of all votes in its first parliamentary election, almost twice as much as the second biggest party *Les Republicains* 15.8 per cent. Sebastian Kurz copied Macron's strategy and gave it a conservative touch. He renamed the traditional *Österreichische Volkspartei* (ÖVP) in *Liste Sebastian Kurz-Neue Volkspartei Österreichs* and won the Austrian elections by 31.5 per cent of the votes.

Despite all the ideological and programmatic differences these examples may display, they present themselves as parties-anti-parties different from the traditional form of political parties and get rewarded with electoral success. That success seems to have at least two causes: the distance to the traditional party form, and second, linked to the first cause, the distance to the political "establishment". Political parties are probably the organization in representative democracy which is most severely challenged. What are the most pressing challenges political parties are facing and which parties are mostly affected by those challenges? What happens if the low appreciation rates of political parties infect parliaments as well? This seems to be already the case. Eurobarometer (1994-2014 Show that the trust of European citizens in their national parliaments and governments went simultaneously down from 60 per cent in 1996 to 30 per cent in 2014. What does it mean for the stability and quality of democracy in the longer run? We want to look closer at three major developments which challenge the present and the future of representative democracy?

- Loss of acceptance and trust in political parties
- Decline of catch-all parties
- Rise of populist parties, particularly right-wing populist parties

11 Nevertheless, the question posed by Eurobarometer is relevant, but not sufficient to understand the complex relationship between citizens and parties. If one were to modify the general question into the more specific one: "Do you trust the party you voted for", one would get a more positive result. However, the type of question cannot explain the total gap between general (dis)trust in parties (EU: ca. 20%) and the average turnout in Western Europe of ca. 72 per cent.

2.2.1 Loss of Acceptance and Trust in Political Parties

The loss of trust towards parties is empirically well-documented. However, there are at least one descriptive and one causal element that are grossly under-researched and where we need deeper insights:

- *Descriptive:* Which type of political parties lost most esteem and democratic reputation: big, medium, small parties or catch-all, programmatic and ideological ones? To exemplify the substantial differentiation through the German party system: catch-all parties in Kirchheimer's typology are only the Christian Democrats (CDU; and on a regional base: CSU); the Social Democratic Party (SPD) transited from a big catch-all party to a medium-size programmatic party, and the right-wing populists (AfD) and the Left (Die Linke) are examples of an ideological party.[12] If we would know more about the degree of (or loss of) trust with respect to each party type, we may recognize and even predict better the transformation of party systems in the future.
- *Causal:* Which are the motives that make citizens withdraw their respect and trust from (different types) of political parties? There are different hypotheses out there, but most of them are not thoroughly investigated from a comparative point of view. But it is above all the comparison which helps us reveal common and divergent patterns and trends. Those hypotheses are:
  - ◊ Political parties, big catch-all parties in particular cannot be distinguished from one another regarding their programmatic positions in crucial policy areas such as fiscal, social, or foreign policies. And even if the programmes still differ, those differences disappear when they are in government.
  - ◊ Political parties do not deliver and do not stick to their electoral promises. If parties campaign with the promise to reduce unemployment, poverty, or to enhance physical or social security, and at the end of the governmental period these promises are neither objectively fulfilled nor visibly pursued by the governing parties voters may be disappointed. They either change party, drop out from elections or may even withdraw their active support to democracy as a whole.
  - ◊ Party elites are considered as pure office seekers. If such an impression spread massively among citizens, distrust against political elites will rise. They will be considered as a self-serving political class.
  - ◊ Citizens still mistrust non-transparent party apparatuses. Although those apparatuses are certainly more transparent than those in the nineteen fifties and sixties or the internal decision making of charismatically directed "movement parties" from Cinque *Stelle* to Macron's *En Marche*, they are paradoxically more under suspicion than the decisions taken by functionaries and the top elites. What are the reasons that party elites are especially considered as a political class far away from the people?

Insights into the dynamics of descriptive and causal elements of the present transformation of parties and party systems allow us to some extent to predict future developments. Without those plausible and empirically grounded predictions meaningful democratic political reforms cannot be expected.

12 There is a thin line between "programmatic" and "ideological" parties. Programmatic parties allow for transparency, voter information, and holding parties accountable on their programmatic promises. Their impact on democracy is positive. Ideological parties are radicalized programmatic parties that subsume their programmatic standpoints under a specific worldview, such as nationalism or communism. The more intransigent and radicalized the ideology is, the more problematic these parties become for democracy.

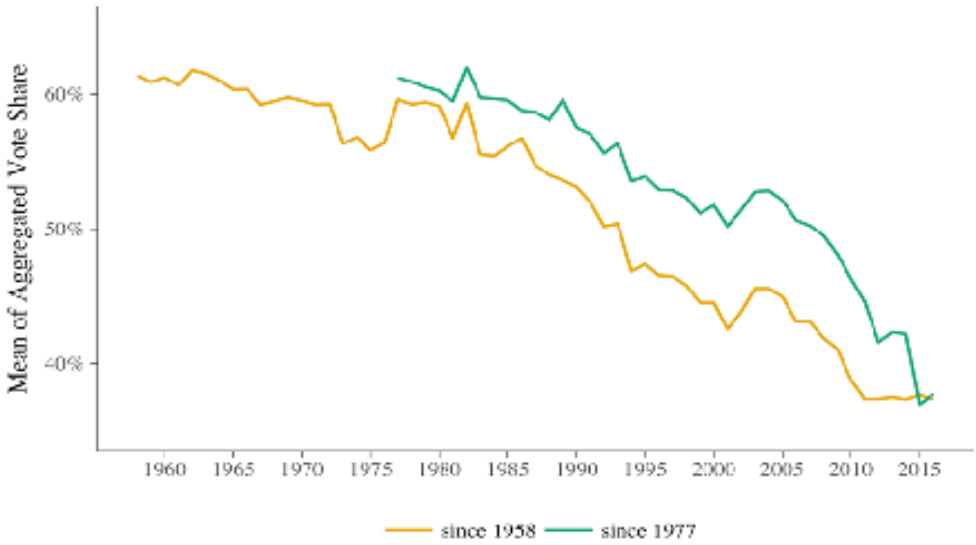
2.2.2 Decline of Catch-all Parties

Catch-all parties (people's parties, Volksparteien)[13] have been the dominant political actors in European post-war democracies (Kirchheimer 1965; Mair 2014). They dominated the dynamics of electoral competition, populated the parliaments, and were the "natural" leaders of most governing coalitions in Western Europe. Moreover, they functioned objectively as "political integration machines" for society building inside their own organization bridges between different cleavages, classes, religions, and milieus[14].

The high time of post-war catch-all parties ended in 1985 (see fig. 6) and since then we are witnessing a steady and strong decline of those parties without major oscillations. There are four relevant symptoms which emphasize that decline: continuous loss of voters; a dramatic decline in membership; ageing of the members[15].

Electoral decline: While catch-all parties scored in each of the West European countries an average of 60 per cent in 1985, they received less than 40 per cent in 2015. In some countries such as Sweden, Austria, and Germany where one catch-all party alone scored between 40 and 50 per cent, or together more than 90 per cent (Austria, Germany) they are down at a level of between 20 and 30 per cent. In some other countries such as France, the Netherlands, or Italy they do not exist anymore.

Figure 6: Decline of catch-all parties since 1960



Source: WZB Data Bank: Elections, Parties, Governments.

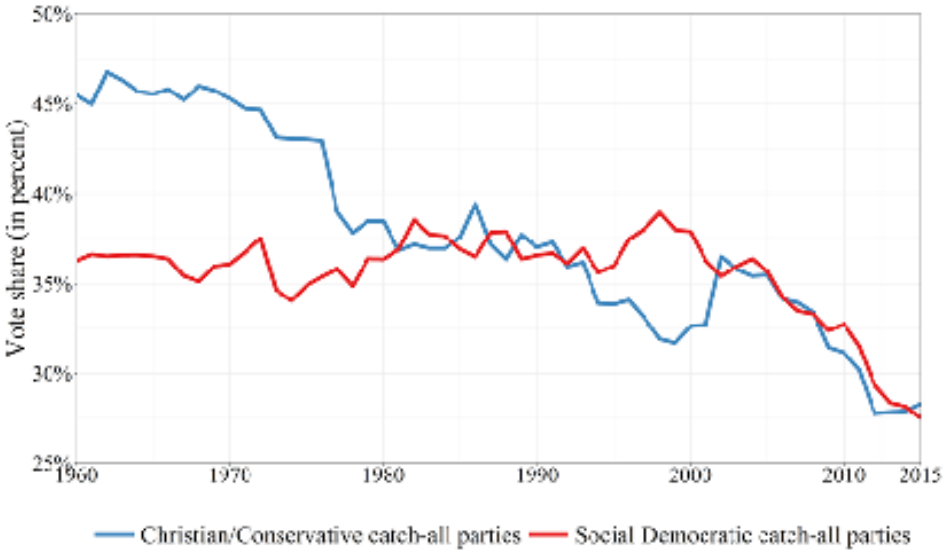
13 We are using the term "catch-all parties" since it is commonly applied in Anglo-Saxon party research. However, most of those parties would never call themselves "catch-all". They consider the term pejorative and often name themselves "people's party" or "Volkspartei", which refers more strongly to the common good and the people as a whole.

14 Jan Rovny and Jonathan Polk. "New Wine in Old Bottles: Explaining Party Competition Along the Socio-Cultural Dimension in Europe." Last presented at APSA 2015, San Francisco.

15 The average age of the party members of SPD and CDU lies at 60 years.

Catch-all parties manifested themselves mostly in two subtypes: centre-right (Christian Democratic or Conservative Parties) and centre-left parties (typically Social Democratic parties)[16]. None of the two were spared from the steady decline (see fig. 6).

Figure 7: Decline of centre-right and centre-left (Social Democratic catch-all parties)



Source: WZB Data Base: Elections, Parties, Governments.

According to European research the electoral decline of centre-right catch-all parties, typically Christian Democratic or conservative parties, set in earlier from a higher level in 1960 (ca. 45%), seemed to stabilize between 1980 and 1995 on a 10-per cent lower level, before falling after 2000 to 28 per cent (in 2015). The decline of centre-left catch-all parties, mostly Social Democrats, started shortly before the year 2000 and fell from 38 per cent to 27 per cent in 2015. On average across Europe the vote for social democratic, Christian democratic, conservative and liberal parties fell from 75 per cent in the first national elections after 2000 to 64 per cent in the national election prior to January 2017. With few exceptions, these parties have continued to support European integration at a time of increasing scepticism.[17]

The statistically robust decline appears as an irreversible demise if one looks at the other symptoms and later also on its short and long-term causes.

Membership decline

The electoral stability of catch-all parties relied to a large extent on the high membership those parties had (and *vice versa*). Since 1975 the membership of both types of catch-all

16 There are also exceptions to the classification rule of centre-left and centre-right catch-all party families. In Ireland, for example, Fianna Fáil, a national catch-all party par excellence, does not fall in either of the two subtypes, whereas the Irish Labour Party never made it to a catch-all party.

17 Hooghe and Marks (2017) EUENGAGE; also: Hooghe and Marks (2017), Rovny and Polk (2015).

parties has dropped from 500,000 per party type (average) to ca. 210,000 (centre-right) or even to 185,000 (centre-left). The German SPD lost half a million members between 1990 and 2010 and therewith more than half of its membership (1990: 1 million).
Here we need further research from a comparative perspective: which are the causes, why the membership exit may have stopped in some countries (Germany) and reached dramatic bottom lines in others (Netherlands, France, Italy, Eastern Europe); what are the consequences if two catch-all parties can still attract a 70-per cent voter base in one political system (in Austria), but the party membership has become smaller and smaller? What does it mean if we see a dwindling electorate and a completely insignificant membership base in Eastern Europe? Can big parties or parties in general fulfil their functions as prime agents between society and state in representative democracies?

Ageing membership

Simultaneously to the decline of membership and causally connected to it we observe an ongoing ageing of party membership. In Germany the average age of CDU/CSU and SPD party members is around 60 years. This is also mirrored by catch-all parties in other countries such as Austria and the Netherlands. What does the age asymmetry mean for the representativeness of those party organizations, for their programmes and policies? Will they represent more the interests of the older generations (past) and lose their innovative capacity because the younger generation does not join political parties anymore? Why are party members of some types of parties younger than in others? Do we have specific differences between countries? And if yes, what are the causes and consequences of it?

Here we need more empirical work from a comparative point of views. The common topics of those comparisons should be *inter alia*: which patterns, which causes, which consequences for participation, representation, programmes, and policies.

Competition for the median voter

It has been a kind of iron law in electoral research that elections in advanced democracies will be won by the median voter (Downs 1957). This worked for most of the post-war decades. Especially the catch-all parties moved to the centre of the party system. Centripetal competition was the consequence. This was evident in the Third Way of Social Democracy (Giddens 1998; Merkel 2001). It worked successfully for a few years for the Labour Party in the UK, the SPD in Germany, the SPÖ in Austria, the PD in Italy, and PSOE in Spain (Merkel et al. 2008). However, after a relatively short time span Third-Way Social Democracy paid a high electoral prize. They lost votes to the left-socialist parties which established themselves in the unoccupied political space to their left. Those leftist parties significantly increased their vote share and established themselves firmly in the party system, partly on traditional social democratic ground. Therefore in the mid- and long-term, Social Democracy lost voters not only as a result of secular employment shifts from industry to services, but also due to its own strategic mistakes. What paid off for some of them in the short run (before and after 2000) reduced their political and electoral space in the longer term.

Almost synchronously, Christian Democratic parties ran into a similar median voter trap. On their ruthless search for the median voter most of Christian Democratic parties moved

to the centre (Germany, Austria until most recently,[18] the Netherlands) and left the political space right of the centre largely unoccupied. Christian Democratic parties watered down their conservative core identity, trying to become centre catch-all parties. It was right-wing populist parties that moved successfully into this right-conservative political space, increasingly adding authoritarian working class votes from the declining socialist and social democratic parties.

What impact does the ongoing decline of catch-all parties have on the stability, quality, and inclusiveness of democracy and where do we need further research.

Need for further research

The general hypothesis is: The long enduring decline of catch-all parties has both positive and negative impacts on the quality and stability of democracy. However, the negative consequences prevail. The formation of stable and programmatically coherent governmental party coalitions has become almost impossible. Either we find rather heterogeneous multi-party coalitions or so-called Grand Coalitions where the two strongest parties are no longer Grand Coalitions but minimum winning coalitions (such as in Germany in 2018). What is different from the period between the 1960s and the 1990s is that those parties gained barely over 50 per cent and no longer 80-90 per cent. Within those minimal winning coalitions an intensive competition takes place since those once big parties are now eager to profile themselves at the expense of the other.

- What distinguishes today's "Grand Coalitions" from "Grand Coalitions" of the past?
- What distinguish multi-party coalitions from two-party minimal winning coalitions of the decades before 2000?
- Are they more stable, more capable to formulate and implement coherent policy programmes?
- How do the voters perceive the different governmental coalitions in terms of representation and decision making?
- Does the loss of trust among citizens vis-à-vis governments signal a negative perception of the multi-party or grand-coalition government (see Eurobarometer 1990-2016).

2.2.3 Rise of Populist Parties, Particularly Right-wing Populist Parties[19]

At present right-wing populism and nativism (RWP) pose great challenges to liberal democracy in Europe and North America. Its electoral successes in Western and Eastern Europe are impressive and alarming. The governments of Hungary, Poland and Slovakia have been taken over by coalitions where right-wing-populist parties (RWPs) or populists of the centre-left play a dominant role.[20] These are by no means isolated occurrences confined to the new democracies of Eastern and East-Central Europe. Right-wing populist parties had begun to challenge the liberal elements of democracies in Western Europe some time ago. They joined governing coalitions in Italy, Austria, and Switzerland during the 1990s

18 In 2016, Sebastian Kurz, the chairman of the party and later the Chancellor of Austria, successfully changed the organizational form and the leadership style of the party, which obviously helped him to win the 2017 elections.

19 This paragraph on RWPs draws extensively on my recently co-authored article "Illiberalism, Populism and Democracy in East and West" (Merkel and Scholl 2018). See also in the same journal: Hanspeter Kriesi and Attila Ágh.

20 The specific type of right plus left-wing populism of SMER (Slovakia) cannot be discussed here. The Czech government is led by the anti-establishment, populist ANO party of billionaire Andrej Babiš.

and after 2000. At present (in 2018), they constitute the biggest parliamentary party in Switzerland and the second largest in the Netherlands and in the French presidential elections. Right-wing populist parties have become strong even in Scandinavia, where we find the qualitatively best democracies of the globe. They have joined coalition governments such as in Finland and Norway or informally support governing coalitions as in Denmark. They increasingly set the tone in public discourse on crucial issues such as migration, Islam, and even the EU. One result of the growing strength of Scandinavia's RWP has been the significant decline of social democracy, once the dominating political force in the Nordic countries.

The populist traits of the successful Brexit campaign[21] and, last but not least, of Trump's election as president of the United States of America have shown that right-wing populism appears to be a ubiquitous phenomenon among young and old, well-developed democracies on both sides of the Atlantic. Nevertheless, in none of those old and new advanced democracies have right-wing parties dominated politics as ruling parties as strongly as in Hungary and—to a lesser degree—in Poland.

However, if we want to broaden our view theoretically and empirically and if we want to examine the relationship between right-wing populism and democracy, we have to answer the following three key questions:

- What are the causes of the emergence of illiberalism and populism?
- Are illiberalism and populism in the East different from those in the West?
- Is (right-wing) populism a threat to democracy?

What are the causes of the emergence of illiberalism and right-wing populism?

We argue that an economic and cultural-discursive representation gap allowed populist discourses to enter and occupy this space. If we want to find out whether the right-wing populist occupation of that political space will endure and if we cannot rely on purely constructivist and discursive explanations alone, we may look for the underlying structural causes.

2.2.4 Cosmopolitans and Communitarians: A New Cleavage in Europe and Beyond

European research suggests that a new cleavage is emerging in Western and Eastern Europe, and even beyond. It partially crosscuts and overlaps with the traditional left-right distributional cleavages. It basically consists of an economic, and (even more) a cultural conflict between cosmopolitans and communitarians (Kriesi et al. 2008; Inglehart and Norris 2016; De Wilde et al. 2019, forthcoming). EUENGAGE shows that in particular the euro and the migration crisis can be considered as critical for the emergence of a transnational cleavage (overlapping to a great extent with the cosmopolitan, communitarian one). These crises have raised the salience of European Integration and migration in public debate, intensified divisions within mainstream parties and have led to an upsurge of rejectionist political parties (Hooghe and Marks 2017).

21 We do not subsume the whole Brexit campaign or Trump's electoral success under the label of right-wing populism. The Brexit campaign also had strong traits of leftist anti-EU attitudes and Trump's victory was based on the strength of the Republican Party as well. Nevertheless, the specific dynamics of both campaigns was driven by right-wing populist rhetoric.

The Programmatic Evolution of Right-wing Populism (RWP)

In Europe we can recognize four thematic waves of radical right-wing populist opposition to traditional democratic policies, politics, and in some countries even polities:

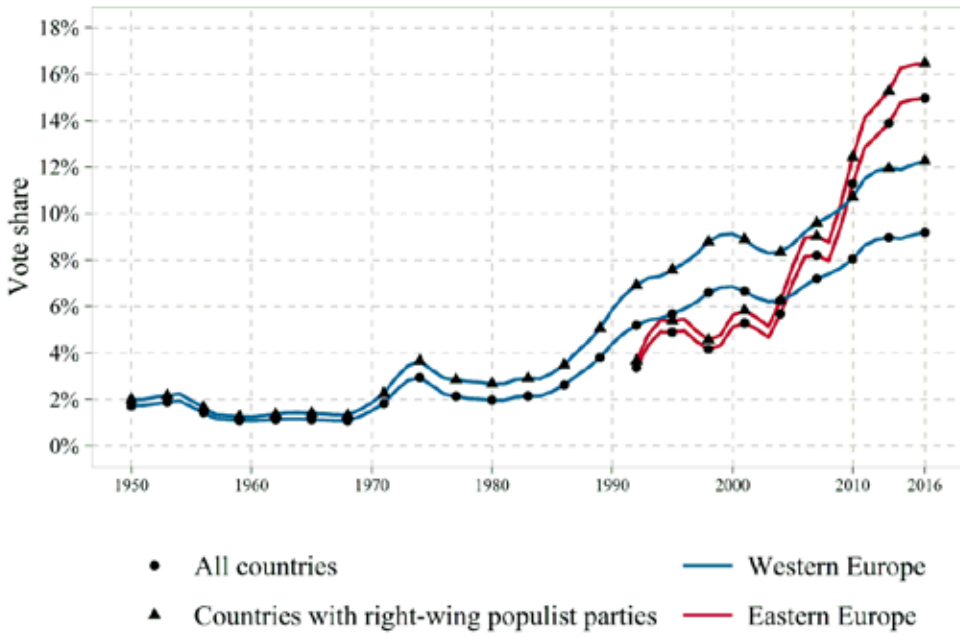
- *Anti-Tax State*: In the 1970s, "neo-liberal populist" parties emerged in Denmark and Norway campaigning against inefficient bureaucracies and government spending and for "downsizing" bloated high-tax welfare states. These parties were characterized by an economically right-wing libertarian stance (Ignazi 1992). Today, rather than opposing economic redistribution in principle, most populist right-wing parties adopted economically leftist policies, while promoting the need for exclusion of specific groups from welfare benefits and the labour market—first and foremost immigrants—in order to provide social protection for so-called natives. This programmatic shift from radical economic liberalism to "welfare chauvinism" (Kitschelt and McGann 1997) is hardly surprising considering that the electoral base of populist parties typically comprised the lower educated, who had little interest in a severe cutback of welfare entitlements.
- *Anti-European Integration*: In the 1990s, opposition to European integration became a second critical issue of right-wing populist parties in Western Europe. Populists around Europe addressed existing democracy deficits of the European Union (EU) and claimed that the "corrupt institutions" in Brussels had betrayed the people, demanding that sovereignty needs to be taken back from supranational institutions to the people. High levels of Euroscepticism have also been shown to be one of the factors driving RWP voting on the micro level in many countries (Werts et al. 2013).
- *Anti-Liberalism*: The third thematic wave of right-wing populism can be described as a general opposition to liberalism and multiculturalism. In the late 1980s and in the 1990s, RWPs took an increasingly authoritarian stance on sociocultural issues, such as immigration, the criminal justice system, and minority rights. They favoured the pure will of "the people" in a majoritarian sense over the institutions of liberal democracies, civil rights, constitutionalism, and judicial review (Rovira Kaltwasser 2012).
- *Anti-Islam*. After 2000, populist right-wing parties increasingly turned against Islam, migration, refugees, and open borders. Migration, especially from non-European countries and among these particularly from Muslim-majority countries, was seen as both a threat to national homogeneity, internal security, and eventually societal peace. Immigration has become a highly contentious cultural-identitarian question about the compatibility of Islamic culture and European liberal democracy rather than a mere socio-economic challenge (Betz 2013). Anti-immigration stances had become so abundant in the RWPs' discourses that some scholars now use the term "Anti-Immigrant Parties" (Art 2011). These positions against Islam, immigrants, and refugees have become so dominant in RWPs' electoral campaigns that it is possible to speak of a new phase during the last decade.
- Which are the issues RWPs are mobilising most successfully? Why is this case? Which variety can we discover across countries? What have been the programmatic responses of the established parties?

Electoral Features of Right-wing Populism

Figure 5 illustrates important differences between RWPs in Eastern and Western Europe. The vote share of populist right-wing parties in Western Europe has been rising almost steadily since the 1980s and reached its preliminary peak in 2016 with an average of just over 9 per cent. In Eastern Europe, RWPs have gained considerable vote shares since the first democratic elections and witnessed a sharp increase in the early 2000s; with an

average vote share of 15 per cent, their electoral appeal had tripled by 2016. If we consider only countries with right-wing populist parties, the average vote share increases to 12 per cent in Western Europe and over 16 per cent in Eastern Europe (see fig. 8). However, in some countries like Poland, Hungary, or Switzerland and Austria, RWPs have gained much larger vote shares than that. If we take a look at voter turnout, there is a similar pattern. In Western Europe, turnout had not been decreasing substantially until 1985, but it started to slowly decline just as RWPs attracted more and more voters. In Eastern Europe (see Rovny and Polk 2015), average turnout was considerably high until 1995 at around 75 per cent but dropped dramatically to below 55 per cent in the mid-2000s. Thereafter turnout stabilized at a low level, while RWPs' vote shares were on the rise. This indicates that there was a representation gap that has been filled by RWPs. People who did not support open borders in the broadest sense and were disenchanted by the liberal transformation their countries experienced since the collapse of the Soviet Union were attracted by RWPs. In Western Europe, the nostalgic backlash against cultural modernization and economic globalization is the almost logical reaction of a less educated, predominantly male lower and lower middle class as well as conservatives across all social strata who felt excluded by the dominant cosmopolitan discourse of the ruling elites (Inglehart and Norris 2016; Merkel 2018a). From this perspective, the populist revolt can be interpreted as a reaction to the discursive hegemony of a moralistic cosmopolitanism of the established parties and media and the better-to-do within democratic societies. This distancing between citizens and political elites is one of the reasons for the success of populist parties (EUENGAGE; D4.4).

Figure 8: Right-wing populist parties' vote share (1950-2016)

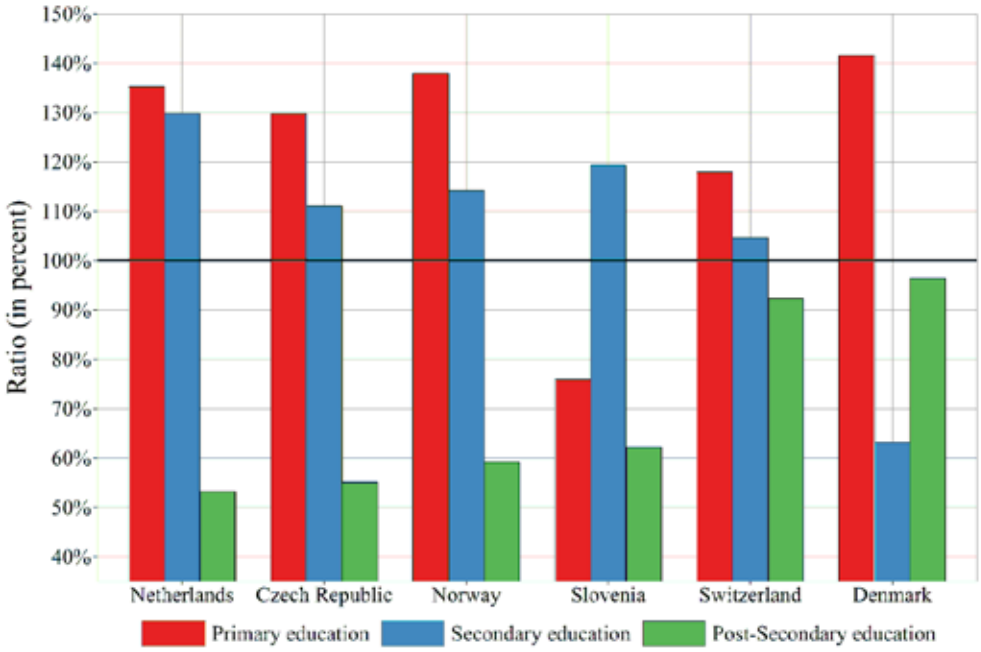


Note: Annual averages, EU member states and Iceland, Norway, and Switzerland.
Source: WZB Database "Elections, Parties, Governments".

The average electoral share of 16 per cent and 12 per cent in the East and West, respectively, belies the significant electoral success of RWPs in Hungary, Poland, Switzerland, Denmark, France and Austria. In most of these countries, RWPs have entered national governments not once, but several times (see below).

Right-wing populist voters are overrepresented among citizens with low formal education and a below-average household income as well as among men. Figure 9 displays the ratio of RWP voters' education levels to those of the overall population, using data from the Comparative Study of Electoral Systems (CSES)[22]. In all countries except Slovenia[23], a disproportionate share of RWP voters has primary education only. Ranging from about 120 per cent to 140 per cent, low-educated voters are strongly overrepresented in the electoral bases of RWPs. In addition, people with secondary education tend to vote for RWPs over-proportionally, even if the effect is somewhat less pronounced. In contrast, highly educated people are consistently underrepresented in the voter bases of RWPs. In Switzerland, where the *Schweizerische Volkspartei* (SVP) has almost become a mainstream party, this divide is less pronounced. In Hungary, where two thirds of the voters opted for either the radical right-wing party *Jobbik* or the right-wing populist party *Fidesz* in 2018, the right-wing populist electorate reflects the social structure of the whole society. In all other countries, the electorate in both Eastern and Western Europe is clearly divided by education. Voters with post-secondary education are underrepresented by 40 to 60 per cent in the voter bases of RWPs. This is in line with the rich body of literature dealing with education, class affiliation, or economic well-being and RWP voting (Oesch 2008; Rydgren 2012; Spittler 2018).

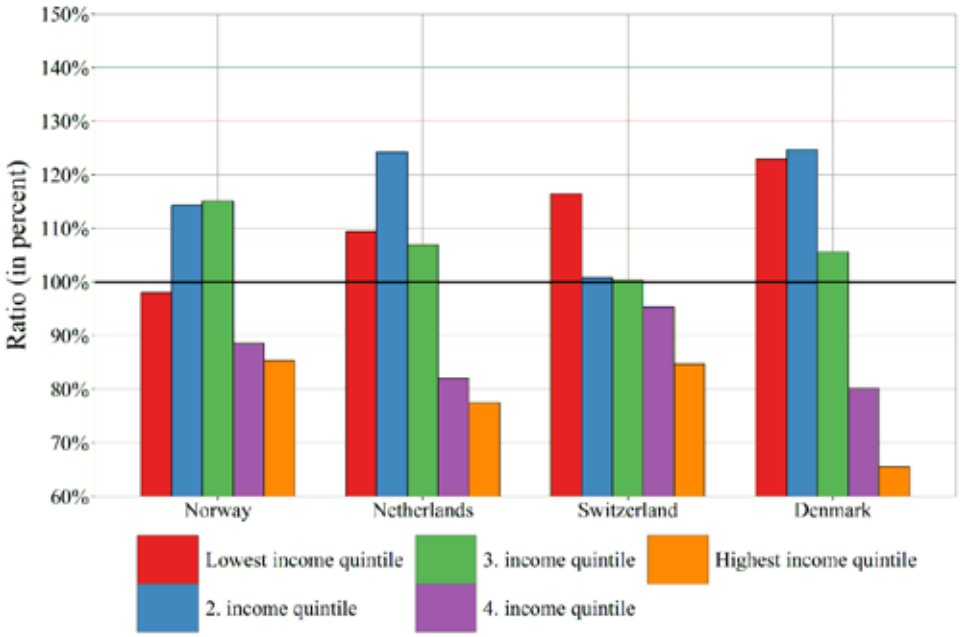
Figure 9: Ratio of right-wing voters' education/population (1996-2010)



Source: Cumulated CSES Study Series 1-3.

22 We used the combined Comparative Study of Electoral Systems (CSES) Series 1-3.
23 The exceptional case of Slovenia needs further research.

Figure 10: Ratio of right-wing voters' household income and public (1997-2010)

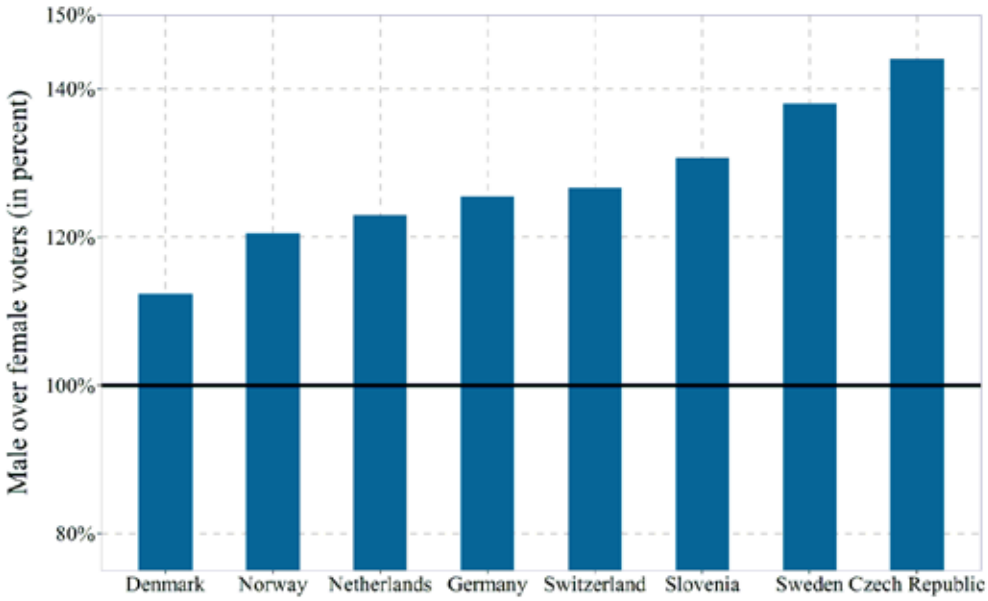


Source: Cumulated CSES Study Series 1-3.

The structure of formal education and right-wing populist voting preference is linked to and reflected by the structure of household incomes and voting preference for right-wing populist parties. Citizens with higher incomes are significantly underrepresented and citizens from below-average income households are grossly overrepresented.

The data also show that there is a clear divide by gender. Men are much more likely than women to vote for right-wing populist parties. Figure 11 displays the ratio of male over female RWP voters. Interestingly, this connection seems to be more pronounced in Eastern Europe. Male voters are overrepresented by 45 per cent in the Czech Republic and by 10 to 25 per cent in Denmark, the Netherlands, and Germany. Right-wing populist parties are clearly male parties, which has led some scholars to name them "men parties" (Mudde 2007, 90-118; Inglehart and Norris 2016; Spittler 2018). Class affiliation also seems to be a better predictor for RWP voting for men than it is for women (Coffé 2012). However, surprisingly little research has been conducted on the relationship between gender and RWP voting, especially for the Eastern European cases.

Figure 11: Ratio of male over female right-wing voters (1996-2010)



Source: Cumulated CSES Study Series 1-3.

Further Research Needs

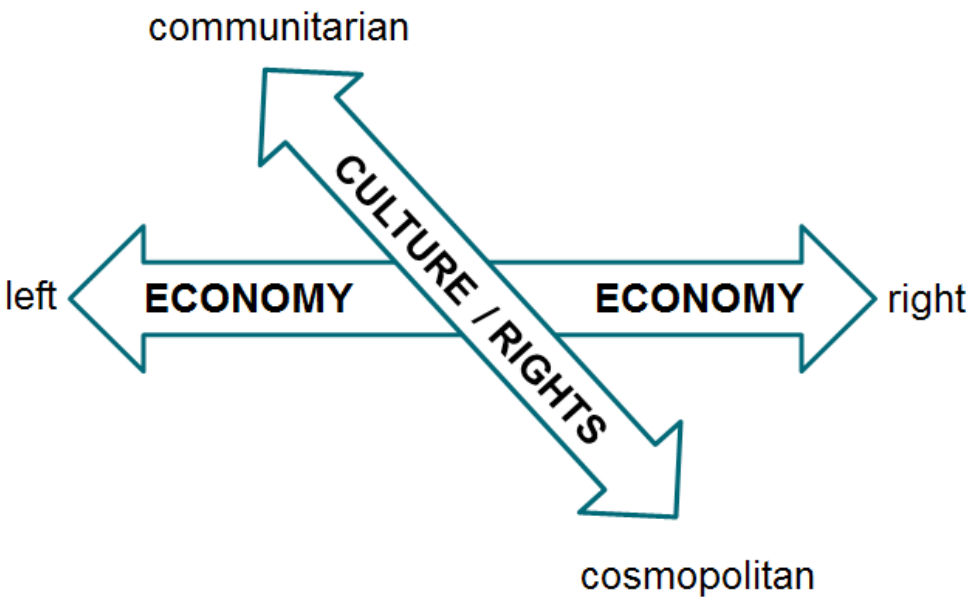
The sociostructural composition of parties' electoral base needs more systematic research with more variables, extending to all European countries and showing the transnational commonalities and national differences. Only then can we systematically explore and try to explain which factors and developments explain the varying levels of success of RWP parties in Europe. An initial explanation will be given below.

The Structural Cause: A New Cleavage

The underlying structural cause for a possibly enduring electoral and political success of RWP may be a new cleavage (see De Wilde et al. 2019, forthcoming).

We see strong indications that such a cleavage has been emerging during the last two decades in Western and Eastern Europa. More recently it gained great impetus from the Euro- and migration crises. However, it is a politico-cultural cleavage which partially overlaps, but also crosscuts the traditional socio-economic cleavage between left and right. The new cleavage can be termed cosmopolitan versus communitarians.

Figure 12: Two main cleavages in advanced democracies



Source: Own figure.

Who are cosmopolitans, who are communitarians, and what determines their conflict? Ideal-typically, cosmopolitans have above-average levels of education, higher incomes and high levels of human and cultural capital; they prefer multiculturalism, reject cultural assimilation, and are geographically and professionally highly mobile. They opt for open borders for goods, services, capital, labour, refugees, asylum seekers, and trans- or supranational governance. They are highly in favour of further European integration and identify themselves rather as world citizens than with nation states or local communities. Cosmopolitans also opt for "open borders" and equality with respect to gender and sexual orientation. They believe that traditional gender roles need to be overcome, which particularly finds expression in a strong advocacy of equality between men and women, but also in a preference for gender-neutral language and education. They tend to believe that there are not one or two sexual orientations, but a whole variety and therefore favour equal rights for sexual minorities in the form of gay marriage, adoption rights for homosexual couples, and unisex public toilets, to name just a few issues that were raised in recent debates. Cosmopolitans tend to be the winners of globalization in economic and sociocultural terms.

Communitarians display many of the opposite characteristics. They are less educated, have lower incomes, are less mobile, have less human and cultural capital, and are professionally less mobile beyond their homelands. They reject multiculturalism and display Euroscepticism. Communitarians also tend to prefer traditional "borders" regarding gender identities and sexual minorities. They often advocate traditional gender roles and reject the notion of a non-binary gender system. They typically oppose the extension of sexual minorities' rights, emphasizing the need for distinguishing traditional sexual identities from

other sexual orientations.[24] In short, communitarians tend to be the losers of globalisation and even have rational interests in strengthening the nation state and its capacity to close and control borders (Merkel and Zürn 2019, forthcoming).

These are ideal-typical constructions. In reality, many individuals do not possess all of these characteristics. However, the more they do, the more these two camps can be identified as the poles of the cleavage. The larger the camps, the greater are the incentives for political entrepreneurs to mobilize along such a cleavage. There is thus an initial *demand* for new political offerings; political entrepreneurs *supply* new programmatic offerings via new or old organizations (parties). Political demand and supply have a mutually reinforcing effect. The question arises, then, whether there was such a societal demand for illiberal or populist-illiberal programmatic supply to begin with, and if so, why this is the case.

A most recent study of the Bertelsmann Foundation and the Berlin Social Science Center (WZB) investigated the populist potential of the German society by asking 3400 persons. The study found out *inter alia* that there is a growing "populism of the centre" which is increasingly receptive to programmatic offers from the right, meaning the "Alternative für Deutschland" (AFD) (see Vehrkamp and Merkel 2018).

Further Research Needs

Our general hypothesis is that economic and cultural globalization have stimulated a demand for renationalization, social protection, security from alienation, and reassertion of a "Leitkultur" among potential communitarians with low education and precarious social and professional conditions. But we have to know more:

- What matters more—the economic or the cultural causes?
- How does education matter for the positioning as communitarian or cosmopolitan?
- What fortifies the cleavages between those two camps?
- How large are the two camps in different countries?
- Are Pippa Norris and Ron Inglehart right to claim that it is above all the cultural divide that mattered most (see also Inglehart and Norris 2016). Those who see themselves as the losers of economic and cultural globalisation also found themselves not represented in the public discourse where, at least in Western Europe, cosmopolitans have established a cultural hegemony.

2.3 Macro Level: Political Challenges to the Democratic System

The challenges to democracy and their impact on it have been often analysed in dispersed and fragmented empirical analyses without any systemic perspective or in more theoretical analyses with scattered empirical references (e.g., Della Porta 2013; Mounk 2018); sometimes even with sweeping claims with little empirical evidence. Both are legitimate scientific enterprises in their own right. However, they have to be either supported by sound empirical evidence or combined and guided by a theoretically elaborated concept that explains the interdependencies of the relevant institutions, procedures, and actors of democracy (for an initial more systematic analysis of the EU or OECD countries see Merkel and Kneip (2018).

24 Nonetheless, some RWPs such as the Dutch Party for Freedom (PVV), the National Front in France, or even the AfD in Germany have become more open with respect to sexual identity and incorporated well-known homosexuals in their leaderships, while articulating this openness as a contrast to the supposed intolerance of Islam (Kim 2017).

The concept of "embedded democracy" or a thorough analysis of the major challenges to the micro, meso, and macro analyses can guide such a comprehensive view.

Here we want to give some highly relevant examples of major challenges to democracy and their observable impact on the workings of democracy. These examples are far from complete or sufficiently researched.

2.3.1 How Dangerous is Right-wing Populism for Liberal Democracy?[25]

We already argued that RWPs often launch an illiberal attack against the liberal dimension of democracy. They argue against the "hyper-liberal" elements of advanced democracies on the basis of the other dimension of democracy, the "sovereignty of the people", understood in a simple majoritarian sense. Winning an electoral majority legitimates the government to rule on that basis even against liberal individual rights or group rights.

"Illiberal democracy," a term originally coined by Fareed Zakaria (1997) and introduced to the political science literature and regime research by Wolfgang Merkel and colleagues (Merkel 2004) as one of the subtypes of "defective democracy", has taken on acute political relevance since 2014 at the latest, when Viktor Orbán declared in a well-known speech that in Hungary, "the new state that we are building is an illiberal state, a non-liberal state[26]." Orbán's illiberal project, among other examples, has given rise to renewed debate on the relationship between liberalism and democracy. Jan-Werner Müller (2016) has repeatedly argued that the "illiberal democracy" label is inappropriate for describing a regime that is, in reality, illiberal and undemocratic; he argues that the systematic dismantling of checks and balances and the rule of law has to be understood as an attack not only on liberalism, but on the very foundations of democracy as such. From this perspective, the proliferation of "diminished subtypes" such as illiberal democracy or "managed democracy" (to describe Putin's Russia) in social science discourse can be seen as deeply problematic insofar as they reproduce the self-presentations of more or less authoritarian regimes that would, of course, like to be democratic but can hardly be classified as such upon serious analysis. We argue nevertheless that labelling RWP regimes simply as non-democratic or authoritarian in the same vein as Putin's "managed (non-)democracy" cannot grasp the different character of those regimes. Illiberal democracies are not simply authoritarian regimes; they are a "diminished subtype" (Collier and Levitsky 1997) of democracy that erode the liberal dimension of individual rights, group rights, and the rule of law by claiming that the "sovereignty of the people" expressed in political majorities trumps individual rights. In extreme cases, this can lead to "tyrannies of the majority" of which Alexis de Tocqueville already warned us in his book "Democracy in America" (1835).

Another way of approaching the relationship between liberalism and democracy is, with Chantal Mouffe (2000; 2005) and others, to view liberal democracy as a contingent articulation of two logics that are ultimately irreconcilable with each other: liberalism as the defence of individual freedoms and the rule of law and democracy as the contestation over the sovereignty of the people. This is not to say that the two cannot ever function in more or less harmony, but that disharmony will always (re-)emerge at some point and that harmony is not the historically "normal" state of affairs. Indeed, the last decades have

25 I thank my collaborator Seongcheol Kim at the WZB for providing most of the thoughts and arguments of this paragraph.

26 Available at: https://budapestbeacon.com/full-text-of-viktor-orbans-speech-at-baile-tusnad-tusnadfurdo-of-26-july-2014/

witnessed a double process: on the one hand, many of the OECD democracies have seen the democratization of democracy by strengthening the liberal rights of individuals and groups. On the other hand, many of those countries have contributed to the liberalization and deregulation of markets. Democratically elected elites have disempowered themselves. The "liberal façade" (Streeck 2016) was kept, but bereft of substantial democratic influence in economic matters. This is what theorists of various stripes (from Jacques Rancière and Yannis Stavrakakis to Colin Crouch) have called post-democracy (see above), where the dictates of economic elites are systematically privileged over democratic processes; Mouffe speaks in a similar vein of "post-politics," where the neo-liberal economic consensus denies the need for democratic conflict. From this perspective, then, the "illiberalization of democracy" was long preceded by the de-democratization of liberalism.

Mouffe's critique of "post-politics" can be interpreted to the effect that illiberal populism emerges as an *Other* of post-democratic liberalism: as much as the former appears to constitute a reaction to the latter, what is common to both is that they play off liberalism and democracy against one another—by attacking minority rights in the name of the sovereignty of the people or, conversely, by denying the relevance of popular sovereignty in the name of economic rationality. Another way of reading this is that a properly democratic populism opposes liberalism not on the terrain of individual and minority rights and the rule of law, but on that of economic (neo-)liberalism with its deeply problematic effects on democracy. One does not have to fully share the premises of Mouffe's "radical democracy". But this different perspective opens up alternative insights into the anti-liberal reactions that can be seen in many OECD democracies. It has key implications for how to understand the ubiquitous phenomenon of "populism".

Cas Mudde and Cristóbal Rovira Kaltwasser (2012) understand populism as a form of "democratic illiberalism" that, can be a threat or corrective to democracy; Margaret Canovan (2002) holds that populism emerges from a fundamental trade-off between the inclusiveness of a democracy and its proximity to popular control (which she calls "the democratic paradox"). What is common to all these approaches is that whether populism attacks individual and minority rights or an economic power elite is indeterminate: populism can just as well be a force opposing the de-democratization of liberalism rather than contributing to the "illiberalization of democracy."

Research Needs

Do the different theoretical approaches allow for multifaceted perspectives on the phenomenon of RWPs? Here are some examples of how these theories might be translated into questions for empirical research:

- Is democracy—or better, which types of democracies—strong enough to transform the populist challenges productively into reforms that respond to the representation gap left open by the established parties and depolarize the emerging cleavage between cosmopolitan winners and communitarian losers?
- What might be the most successful strategies for doing so?
    - ◊ Systematically we can distinguish between: ban, isolate, defuse, ignore, coopt, adopt, coalize. We have now a sufficient number of cases for each strategy in many East- and West European countries. However, there is no systematic empirical research about the emergence, implementation, and the consequences of those strategies on the electoral success of RWP and the stability and quality of democracy as a whole.

  - ◊ Moving to the right and reformulating RWP demands in a more moderate and conservative mode that is compatible with the rules and culture of democracy?
  - ◊ Ignoring the demands and insisting that there is no democratic alternative to (hyper-)liberal politics?
  - ◊ Depriving RWPs of their capacity to mobilize protest in opposition by including them in government and "civilizing" them under the imperative of governmental responsibility?
- What impacts do RWP electoral successes have on consolidated democracies in the West, or on young democracies in the East?
- What effects do RWPs have when they are in opposition and when they are in government?
- What impacts do RWPs have when they are junior or senior partners in governing coalitions?

We certainly need more empirical research on these questions. We know about RWPs that the electorate is over-proportionally male with below-average levels of formal education and income. But we do not know how this is changing over time.

- What causes the differences across countries, and above all what impact do RWPs have on democracy when they are in opposition and when they are in government?
- The impact can be on sensitive *policies* such as immigration, refugee issues, or European integration; will the result be a shift to the right in these critical policy areas? Is this the only way the established parties can reconquer the political space lost to the RWPs—by moving the general policy coordinates to the right? But there will be an impact on politics as well.
- How do RWPs change important parameters of electoral competition? Do the changing dynamics lead to higher polarization and volatility? Do they change the coalition behaviour of established parties?
- What about the *polity*? Do RWPs as dominant parties within governing coalitions always challenge the independence of the judiciary? Do they use public and private media to attack "mainstream media"? Under which conditions do they fail or when do they succeed?

Is illiberal democracy the only threat to liberal representative democracies on the level of the nation state?[27] The counterpart to illiberal democracy proposed by cosmopolitans is not simply the status-quo liberal democracy, but liberal "cosmopolitan democracy".

2.3.2 Cosmopolitan Democracy: How Democratic is it?[28]

Cosmopolitans claim the moral high ground in questions of universal rights and solidarity with refugees. But do they also have the better concept of democracy? Although cosmopolitans accept that democracy can only be conceptualized as multilevel governance, they appear to theorize mainly about democracy beyond the nation state, while democracy within the nation state is of secondary interest. The core idea of cosmopolitan democracy

27 Later on, we will try to integrate nation-state democracy into an already existing multilevel system of democratic governance. We will not simply argue that such a multilevel regime is the most democratic response to the challenges of the twenty-first century. This depends on the balance between the different levels and whether the latter can accumulate sufficient democratic legitimacy without falling into the trap of nationalism on the one hand and of technocracy on the other.

28 This chapter draws intensively on Merkel and Zürn (2019, forthcoming).

is to democratize international institutions (Held 1995; Zürn 1998), or as Daniele Archibugi puts it: "to globalize democracy, while at the same time, democratizing globalization" (2004, 434). Of the "seven assumptions" of cosmopolitan democracy, Archibugi emphasizes the following three as essential (ibid., 439):

- "Global democracy is not just the achievement of democracy within each state.
- "Globalization erodes states' political autonomy and thereby curtails the efficacy of state-based democracy.
- "'The stakeholders' communities in a relevant and growing number of specific issues do not necessarily coincide with states' territorial borders."

Cosmopolitans opt for the concession of nation-state sovereignty rights to international organizations and supranational regimes, if not the vision of a democratic world government, a world parliament, and a global civil society (see Archibugi and Held 1995; Keane 2003; Archibugi 2008). They argue in favour of authority transfers to the UN and to the EU, free-trade agreements and the IMF, world climate conferences and a fiscal union in the Eurozone, strong human rights regimes on the global level, and institutions allowing for global redistribution. This cosmopolitan argument in favour of strong political institutions beyond the nation state is based on two pillars: a functionalist and a normative one. Functionalists argue that today's world is so tightly connected that the growing number of transnational problems can only be solved effectively beyond the nation-state level. The nation state, they argue, has to come to terms with being embedded in a multilevel system. The effectiveness of transnational action thus becomes the reason for pooled and delegated sovereignty.

However, these effectiveness gains come with losses in the quality of democratic procedures in terms of participation, deliberation, and transparency when the decision-making process is moved beyond the nation state. If the transfer of nation-state sovereignty rights to supranational regimes or international organizations do indeed contribute to an increased problem-solving capacity (e.g., free trade, economic welfare, climate change, human rights, peace and security) that cannot be achieved on the democratic nation-state level alone, the discussion of normative trade-offs and of empirical research has to begin.

Research Needs

- Is there a loss of democratic goods such as equal participation and representation, clear accountability, transparency, or control of the decision makers?
- How relevant are these "democratic losses"?
- How big are the efficiency and effectiveness gains on the supranational level?
- How can one justify these potential trade-offs between output legitimacy on the one hand and input or throughput legitimacy on the other (Merkel and Kneip 2018)?

Apart from this functionalist perspective widespread in global governance studies and in the field of International Relations, normatively oriented cosmopolitan scholars such as Thomas Pogge (1992), Daniele Archibugi (2008), or David Held (2010) emphasize the democratic argument that those who are affected by political decisions ought to have a say in them. This congruence argument was made prominent in international law by the constitutional theorist Hans Kelsen (1925). More recently, both Dahl (1989) and Habermas (1986) consider the right of those who are affected to have a say to be the core of the democratic principle. In the past, especially in the twentieth century, the democratic nation state made this congruence to a considerable extent reality. The nation state provided the shell within which the democratic principle could be institutionalized. With globalization, however, the close

connection between the nation state and the democratic principle weakened. To the extent that the economic and social space of transaction increasingly reaches far beyond national borders, both political interventions and the democratic principle need to be globalized as well. The international institutions, then, need to be democratized.

As strong as cosmopolitan democratic theory appears to be in its normative principles, it is weak in translating these principles into concrete procedures and institutions. First, while it is true that many social, economic, and political transactions have effects beyond borders, it seems impossible or at least highly arbitrary to set a threshold of how much externalities are required before we normatively need to transfer the decision-making power to international institutions (threshold issue). Second, even if we were to agree on a set of required international institutions, it seems extremely difficult to organize proper democratic processes on the global level (feasibility issue).

Given this complexity, the question who is affected by whose decisions is usually too difficult to answer in a world of complex, dynamic causalities to form a rational basis for a political order. If, for example, the United States of America decides to raise its public debt, it will affect almost the rest of the world; if the European Central Bank (ECB) decides to reduce interest rates and reflate European economies, it affects the monetary and budgetary polices of many other states inside and outside the European Union. If the government of China decides to invest in computer technology, it may affect jobs in India or Silicon Valley. But such externalities do not automatically grant the right to co-decide on US, EU, or Chinese economic policies.

This raises the question which institutions can legitimately decide who is 'affected' across borders by a national decision and who the cross-border community of stakeholders is. Moreover, how can such an institution making the threshold decisions be legitimated? But even if these questions could be resolved, a set of follow-up problems regarding procedural issues of decision making arise, which need further thought and empirical research:

- Should the other countries have the same weight in decision making as the country that takes the original decision?
- Which institutions should decide and according to which procedures? Should only the executives co-decide?
- Will the parliament have the right to control the executives?
- What about the participation of the people in these decisions?

These are unsolved and practically unsolvable normative and procedural questions that show that the "congruence principle" or the determination of the "stakeholders" and their representatives cannot easily be translated into procedural practices in international policymaking. Transnational stakeholder democracy may be normatively convincing, but as long the procedural questions are unresolved and unresolvable, it runs the danger of remaining an abstract and utopian vision instead of a realistic political project.

The supranational extension of democracy entails democratic costs. The larger and the more complex the political spaces, the less they are capable of being ruled democratically, as Robert Dahl (1989, 213ff.) has argued. Dahl stated: "the international system will lie below any reasonable threshold of democracy" (Dahl 1998, 21). Procedures that are central for democracy such as the equal participation of citizens, the transparency and predictability of political decisions, oversight of the legislatures, or vertical and horizontal checks on power can indeed be implemented far less convincingly beyond the nation state than within it. He

argues against all cosmopolitan visions: "Just as the rise of the national state reduced the capacity of local residents to exercise control over matters of importance to them by means of their local governments, so the proliferation of transnational activities and decisions reduces the capacity of the citizens of a country to exercise control over matters vitally important to them by means of their national government" (Dahl 1989, 319).

Cosmopolitans doubt that there are necessary conditions for democracy such as ethnic and cultural homogeneity, limited size, economic development, or statehood. Indeed, they argue that there is no necessary condition in the strict meaning of the term and that political communities are socially constructed and change over time. Moreover, the idea of national belonging was itself constructed by national elites in the eighteenth and nineteenth centuries.

Although cosmopolitans do not deny that many of the empirical prerequisites of a global democratic polity are not yet fulfilled, they often argue that the most important developments in this respect are moving even further away from the model of democratic nation states with time.

Cosmopolitans at least implicitly emphasize the liberal elements of democratic decision making, i.e., the need for the protection of individual rights, the rule of law, the power of the better argument, and so forth. But they ignore that international institutions privilege executives over legislatures and thus damage established divisions of power (see Zürn 2000). In doing so, they seem to favour a version of democracy that discounts the role of elections, parties, and parliaments while emphasizing the role of non-majoritarian institutions and executives. This implicit understanding of democracy tends to reinforce the elitist bias of cosmopolitans.

For many cosmopolitans, the functionalist card of the unavoidability of multilevel decision making tends to trump the normative concerns over the loss of democracy anyway. Yet the evidence that the decisions of the UN, the IMF, G7, G20, or even the EU tend to be particularly efficient and effective remains to be seen. This is not to say that international institutions are not effective at all. Their coordination with the IMF and other international agencies during the great financial crisis of 2007 and the following years contributed to the containment of the negative fallout of the crisis. At the same time, many international institutions do not produce strong regulations and member states often fail to implement international rules. One clear and very recent example was the refusal of several EU member states to comply with the common decision to distribute the refugees across the EU. This refusal was backed by the majority of the people of these member states. These are clear warning signs of the risks of regional overstretch and of governance beyond the nation state. The worst-case scenario would be one in which overstretched regional or supranational regimes display undemocratic procedures as well as less efficiency and effectiveness at once. At the very least, cosmopolitans have to be aware that not every group of countries or policy field can be governed equally effectively and democratically beyond the nation-state. What might be true for policy on climate change may not apply to migration or social policy. What may function among a rather homogeneous group of countries such as the former EU-15 may not work for a heterogeneous Union of 28 or a loose club of powerful states with different political regimes and diverging interests such as the G20. This also leads one to question the notion of the comparatively homogeneous EU as a model for cosmopolitan governance. Nevertheless, one can agree with the cosmopolitan argument that the autonomy of single states to determine crucial policies is decreasing, albeit more so for the smaller than the

larger countries. Too often, however, cosmopolitans interpret this development of the last three decades as an iron law and an opportunity to stretch the narrow boundaries in political reality and people's consciousness alike. Moreover, most cosmopolitan theoreticians do not tend to think deeply about what of nation-state democracy can and should be salvaged for democracy's sake. They do not think so much about domestic as about global justice and democracy. This is indicative of an elitist touch and a lack of attention to the interests and anxieties of the less educated and lower-class people within nation states in the West who are afraid of borderless governance. In this sense, cosmopolitan theorists may contribute to the strengthening of the elite-masses divide and provide fertile discursive ground for RWPs.

2.4 Capitalism as a Challenge to Democracy

Capitalism and democracy had proven themselves the most successful economic and political orders by the end of the twentieth century. The spread of democracy in the last quarter of the last century was impressive. However, democracy's success pales in comparison with the fulminant expansion of capitalism all over the world. Capitalism has shown that it can co-exist with autocratic and democratic regimes from the US to Sweden or Russia and China. What pertains for democracy applies for capitalism, too: indeed, we should not use the singular, but should speak of a variety of democracies and a variety of capitalisms (*inter alia* Hall and Soskice 2001). We cannot discuss all the different types of capitalism here (see Nölke 2013). For the sake of our principal arguments, we can rather refer to a kind of average type of capitalism as it has been transformed from a more socially embedded welfare capitalism (1945-1970s) to a more dis-embedded form of deregulated financial capitalism within the OECD world (*inter alia* Crouch 2011; Piketty 2013; Streeck 2013; Merkel 2018b). Financial capitalism has been blamed for raising socio-economic inequality, dismantling the welfare state, empowering global firms, and constraining the capacity of states to govern the economy. Not least the latest financial crisis from 2008 onwards and the Euro crisis have shaken the firm belief in the complementary nature of capitalism and democracy. The question has to be posed: how compatible are the capitalist and democratic orders or how deep-seated are the incompatibilities of capitalism and democracy within the OECD world (Merkel 2018b)?

2.4.1 Success of Capitalism as a Challenge

Financial capitalism has broken up the peaceful coexistence between democracy and social welfare during the first three post-war decades. Since the 1970s, capitalism has transformed in a way that has challenged this fruitful coexistence. The turn towards neoliberalism, deregulation, and globalization and the rise of financialization have contributed to these changes significantly (see *inter alia* Stiglitz 2002; Harvey 2007; Crouch 2011; Streeck 2013; 2016; Kocka and Merkel 2015). Taken together, however, they undermined two fundamental principles of democracy: first, the democratic core principle that authoritatively binding decisions can only be taken by those who are legitimized by constitutional-democratic norms; second, the principle of political equality, which has been increasingly eroded by the asymmetric distribution of socio-economic resources among citizens, largely to the disadvantage of the lower classes. The more economic denationalization progresses and the more capitalism breaks free from its social embedding and turns into deregulated neo-liberal financial capitalism, the more negative are the effects on the proper working of democracy. We will briefly describe four major negative effects.

1. Increasing socio-economic inequality leads to asymmetric political participation.
Economic inequality translates into social and then rapidly into political inequality. Election turnout is declining in Western Europe and quite dramatically so in Eastern Europe (see chapter 2.1.3). General national elections in which only 50 per cent (or even less) of the electorate participates are highly problematic. Moreover, empirical studies show that the vast majority of those who refrain from voting do not engage in other forms of political participation either (Przeworski 2010). Bernard Manin (1997, 222ff.) rightfully called this a "democracy of spectators".

The crucial problem democratic theory faces is not the turnout figures as such but the social selectivity they imply. The lower the electoral turnout, the higher is the social exclusion. Empirical evidence confirms that the lower social classes are the ones who are taking the political exit option, while the middle and upper classes are the ones who stay.[29] Among US citizens, for example, 80 per cent of those with a disposable annual household income exceeding USD 100,000 state that they vote, compared to only 33 per cent of those with a household income of USD 15,000 or less who state that they vote (Bonica et al. 2013, 111). Increasing evidence shows that the American symptoms of lower-class exclusion are ever more pertinent within the context of European societies (Schäfer 2015; Weßels 2018). The electoral demos is unbalanced: The dominance of the middle classes is increasing and the participation of the lower classes constantly decreasing. The lower class increasingly self-excludes from political participation: "Voting tilts the policy scales in favour of top incomes" (Weßels 2018).

The participation-representation gap has increased in almost all OECD countries over the past decade. Citizens from the lower classes are participating less in politics than other social classes, resulting in negative consequences for the representation of their interests. Parliamentary studies show that the preferences of the "lower third" are less represented in parliament than those of the "upper third" of society (Lehmann et al. 2018).

2. Elections are increasingly unable to halt growing socio-economic inequalities.
Considering the idea of class-oriented economic voting, it could be argued that most voters with an income below the median would vote for political parties that fight for redistribution. This would give democracy an instrument to counterbalance severe socio-economic inequalities. But why has this mechanism failed in the past decades? One of the reasons was already mentioned: The lower classes are increasingly staying home on election day. Moreover, vote-maximizing parties are tempted to abandon the lower classes as potential voters to be won over. Social democratic and other left-wing catch-all parties still sometimes claim to represent the interests of those classes in their party programs. However, this is often only lip service paid to preserve the party's "social justice" image rather than a genuine attempt to mobilize the politically apathetic and indifferent lower classes. Left-wing parties that, when in office, wish to pass policies aimed at improving the situation of the lower classes—more education, minimum wages, maintenance of the welfare state, taxation of higher incomes to raise public revenues—are confronted with threats from investors (Merkel et al. 2008). The main threat from these classes is to move capital and investment abroad. The financialization of capitalism and the now easier option to move financial capital across national borders has made the democratic state vulnerable.

29 When asked whether their vote or political participation influence political decision making, more than two-thirds of lower-class citizens in Germany answer in the negative. When confronted with the same question, more than two-thirds of middle-class citizens resoundingly respond in the affirmative, stating that their voice has an impact (Merkel and Petring 2012).

For left-wing parties, this quickly results in a conflict of interest. If investors begin to shift investments abroad, this costs jobs and results in lower economic growth, less public revenue, less social investment, and ultimately fewer votes. In the context of economic and labour-market policies, many social democratic parties have succumbed to the neo-liberal globalization discourse of the past two decades. Issues of redistribution have thus lost their main advocate in the political arena.

Failed *economic voting* is not the only explanation for electoral behaviour. Cultural conflicts are predetermining voting preferences increasingly during the last two decades. The latter can be religious or ethnic in nature. In particular, the lower (middle) classes (mainly men) are receptive to authoritarian, xenophobic, and ethnocentric policies (see chapter 2.2.3).

During the first three quarters of the twentieth century, the right to vote became "paper stones" for the lower classes (Przeworski 1986). The post-revolutionary working class used its suffrage to tame and socially entrench capitalism by electing left-wing (mostly reformist social democratic) parties and to successfully establish workers' rights, a progressive tax system, and the expansion of the welfare state. However, this trend halted and even reversed in the 1970s.[30] In terms of redistribution from the top to the bottom, these *paper stones* have lost their effectiveness and have instead turned into *paper tigers*. Since the 1970s, democratic elections have no longer stopped the increase of inequality whereby the rich become richer and the poor and lower classes remain stuck in social immobility (inter alia Piketty 2013).

3. The state becomes more vulnerable

Project FESSUD makes the point that the finance dominated type of capitalism that has developed from the late 1970s and early 1980s on finds its nucleus in the deregulation of the national and international financial system and the switch to a shareholder oriented corporate governance system. Other aspects such as labour market deregulations (including policies to weaken trade unions), the aim of completely free trade around the globe, increasing freedom and power of multinational companies, and privatisation of formerly state functions also belong to the new regime. The reforms implemented after the subprime crisis and the Great Recession are not entirely sufficient to overcome the deeply rooted problems of the existing system. Reforms to the financial system did not substantially affect the functioning of the shadow banking system and the basic structures of the financial system were not changed. Both, the international financial system as well as the shareholder oriented corporate governance system were largely spared from reforms. Further labour market deregulations are considered by governments and international institutions (Herr 2016).

Furthermore, the financialization of capitalism increased the vulnerability of the state to banks, hedge funds, global firms, and large investors. In the last two to three decades, it has changed capitalism as well as the relationship between capital and the state in all OECD countries. Heires and Nölke (2013, 248) define financialization as a process that demands the deregulation of financial markets, eliminates national borders, and facilitates the introduction of new "financial products" such as derivatives and debt obligations. It brought forth the rise of hedge and pension funds as well as other "institutional investors". The ideology of shareholder value has become the primary criterion for investment decisions.

30 In non-Anglo-Saxon countries, this shift did not happen by cutting back the welfare state, but was pushed through by a tax and income policy in favor of business and the better-off.

Financialization has not only increased the dependence of industrial production on the financial industry; it has also increased the dependence of the state and of society on financial capital. Within governments, financial interests and control have been increasingly embedded within institutions and institutionalised structures that are generally conceived as imposing financial imperatives and eroding alternative forms of democratic participation [31] Whether intentionally or unintentionally, the democratic states have emasculated themselves by deregulating financial markets step by step, culminating in a set of neo-liberal market rules, the so-called Washington Consensus (1989). The financial and Euro crisis that began in 2008 made the weakened position of state institutions particularly visible. Many governments felt obliged to follow the self-help cry of banks that claimed to be "too big to fail" (at least in Europe[32]). The fact that taxpayers were the ones to foot the bill is yet further proof of how financial capitalism has become empowered to enforce policies on state and society that lead to redistribution from the bottom to the top, both in times of economic success and crisis (inter alia Streeck 2013; 2016).

The combination of an international run on investments, national party competition, and neo-liberal economic dogma among those governing has led to a "liberation of the market from mass democracy" (Streeck 2013, 77). Should this process not be stopped, capitalism and democracy would have to separate eventually (ibid., 235). Deregulating markets has put a strain on the compatibility of capitalism and democracy and has made their incompatibilities more visible. The gap between capitalism and democracy has become larger than during any of the democratic periods in the twentieth century. The state has not become a more proactive regulating force despite the fact that the financial sector caused the financial crisis. This shows the objective state of helplessness and subjective lack of willingness of democratic governments to act in times of financialization. Current Chancellor of Germany Angela Merkel highlighted this rather openly (and likely unintentionally) when she stated that a "market-conforming democracy" is what we should aim for. Spoken strictly from a democratic point of view, the argument would be the reverse: We should not aim for "market-conforming democracy" but rather for "democracy-conforming capitalism".

Instead of dreaming again about "post-capitalism" (Mason 2015), we should think about what a "democracy-conforming capitalism" could look like. To this end, we need further theoretical elaboration and comparative empirical research on different experiences with different types of capitalism and their varying impacts on democracy.

4. Globalization moves political decision making away from parliament to the executive

The hallmarks of financial capitalism in an age of globalization are the speed, volume, complexity, and scope of financial transactions. By contrast, parliaments are always limited by their territorial scope and the need for time to prepare, deliberate on, and pass laws. In an age of digitalized computer-based financial flows, large-scale financial transactions take only a fraction of a second. American political scientist William Scheuerman (2004) speaks in general terms of an "empire of speed". A "desynchronization" of politics and economics, of democratic state decisions and private economic transactions has taken place. It would be naïve to assume that any political decision could keep pace with the speed of financial transactions. Yet both the *demos* and the global elites implicitly and explicitly demand faster political decision making. The most recent example of this has been evident in the

31 Financialization, Economy Society and Sustainable Development: An Overview. FESSUD Working Paper Series No206.

32 The US government followed the capitalist rules of a free market more closely when it allowed many more banks to go bankrupt then did European governments.

political discourse and actions of European governments since 2008. The demand for faster political decision making illustrates a particular democratic paradox in times of crisis: Far-reaching crisis decisions often have considerable welfare and redistributive consequences. For this reason, these decisions in particular require reliable democratic input legitimacy (Enderlein 2013, 720, 733; Kneip and Merkel 2018). However, the objective or assumed time constraints typically result in technocratic-executive decision making with thin democratic input legitimacy.

2.4.2 Failure of Capitalism as a Challenge

The neo-Marxist literature on the crisis of "late capitalism" and the "democratic state" from the early 1970s (inter alia Offe 1972; Habermas 1973; O'Connor 1973) considered economic crises to be the trigger for crises of democracy that can lead to a crisis of the fiscal state, create structural problems for the democratic-administrative apparatus, or lead to disastrous legitimacy crises of the economic, political, and social system. The most recent and radical position can be found in the work of Paul Mason, who sees from an almost classical Marxian perspective the final collapse of capitalism and provides in his book "Postcapitalism" already "a guide to our future" (2015). More scientific in his analysis, but certainly not less radical in his conclusion is Wolfgang Streeck (2016, 13), who sees unstoppable endogenous forces of self-destruction at work in present-day capitalism. He speaks of a "demise of post-war-democracy standards" (ibid., 21).

Not denying the lucid insights into some of the problematic dynamics of capitalism, Streeck overstress his critique and speaks of a general crisis of capitalism and democracy. His prediction of the self-destruction of capitalism cannot be easily sustained (and the same applies to his diagnosis that democracy has degenerated into a mere façade). Neither the post-capitalist thesis nor the post-democracy theorem can be supported by more rigorous empirical research (see Introduction). In order to understand the challenge of capitalism for democracy better, we should turn the post-capitalist hypothesis on its head. The principal (counter-)argument as explicated above, therefore, is that it is not the crisis of capitalism, but the triumph of a specific, namely financialized neo-liberal version of capitalism that has increasingly created challenges to democracy. These challenges have not been resolved so far and may not even be solvable at all. This, in turn, means that democracy has to live with significant challenges and tensions generated by financialized capitalism and has to look for a political solution that does not destroy the growth-stimulating dynamics of capitalism but does re-embed the capitalist economy into a framework of social and political principles that make it more compatible with the fundamental principles and procedures of democracy (Merkel 2014a).

This is not to deny that economic crises such as the great financial recession of 2008 onwards and the Euro crisis created (different) problems for democracy in various EU member states. Recent EU funded projects have attempted to shed led light on the impacts of the great financial crisis of 2008. Projects EUENGAGE, BEUCITIZEN, RECRIRE, and REINVEST confirm the hyperfinancialization of modern capitalism and the loss of trust among citizens in the market economy. After 2008, no democracy broke down, while the affected OECD countries and international organizations such as the IMF succeeded in economic-political coordination to avoid domino effects and to support those countries or banks that found themselves in severe trouble.

EUENGAGE finds that the Euro and migration crises resulted in a new political cleavage. At the same time, EU funded projects demonstrate that there is a growing polarisation between European voters as a result of the crisis. On the one hand, there are citizens who feel close to a particular party, follow elite cues and are generally more supportive of European integration. On the other hand, there are citizens who do not feel close to a political party and are more apathetic and Eurosceptic. The predominantly pro-European discourse and behaviour of mainstream parties risks alienating these citizens even more (Stoeckel and Kuhn 2017).

Furthermore, projects highlight that citizens' vote for Eurosceptic parties of the left seems to aim at a revision of the present framework of the EU, namely the polity dimension but also the prevailing economic policies. In contrast to that support for conservative Eurosceptic parties seems to be motivated by more far-reaching consequences for the future of the Union since it involves the entire spectrum of issues – immigration as well as economic. Finally, mainstream parties were also forced to articulate a more negative tone towards the European project as a result of wider trends (Braun et al. 2017).

Project ENLIGHTEN finds that public trust in national and EU political institutions has been falling together with support for European integration. This has led to increasingly volatile national politics with the electoral cycling of incumbent governments and the growth of populism. Such toxic politics are the result of the poor economic performance of the EU and in particular the Eurozone in the previous years (Schmidt 2016).

Project bEUcitizen demonstrates that financial pressures translated into effective constraints on the meaningful exercise of the right to vote, the right to participation and the right to information. The project concludes that the euro crisis posed no threat to the formal validity of core citizenship rights. However, it shows (at least in Austria, Slovakia, Ireland and Finland) the limitation of viable political alternatives in electoral competition, the influential role of executive actors and bureaucratic transnational European elites as well as secrecy practices and in some cases the lack of appropriate accountability structures restricted the meaningful exercise of European political citizenship and democracy.[33]

The Euro crisis had negative effects particularly on the so-called net recipient countries of the EU, above all in the European South, in Greece, Portugal, Spain, and Cyprus (Scharpf 2013; 2015; 2017; Ruiz-Rufino and Alonso 2018. See also project IMPROVE for the social impact and inequality trends):

- The so-called Troika (IMF, EU Commission, European Central Bank (ECB)) deeply intervened into the capacity of the nation states to determine their own fiscal policy. Externally imposed austerity and economic technocracy substituted democratic policymaking by the elected authorities. The governments felt forced to be more responsive to their loan providers than to their own citizenry.
- The external interventions tilted the power balance even more heavily in favour of the executive. The parliaments often only served as ex post rubber stamp institutions.
- The proposed austerity measures increased the socio-economic and therefore indirectly the political inequality within the affected societies (Project IMPROVE. See also chapter 2.1.3).

33 bEUcitizen D8.5 Democratic parliamentary control in times of crisis; Constraints imposed by financial markets on political choice in the EU (D8.1)

- The construction of the Euro and its members as a collection of economically very heterogeneous countries forces those countries with less competiveness into a permanent retrenchment of the welfare state and low wages; both factors lead to a regressive redistribution in society (Scharpf 2015, 15).
- Majoritarian decision making whereby a majority of member states decides against a minority of other states on policies that deeply interfere in the latter's internal affairs is highly problematic from a democratic point of view. For heterogeneous societies, consensual policymaking is the most democratic mode of political decisions (Lijphart 1999). This applies very much to the EU with its enormous economic, social, and cultural heterogeneity. It also applies to the situation of the Euro crisis where a small group of Northern countries under the leadership of Germany decided on fiscal measures within the heavily indebted countries of the South. Fritz W. Scharpf formulates this democratic problem very pithily: "The German voters and the German Bundestag cannot legitimize the German chancellor and its minister of finance to impose severe burdens on the citizens of Portugal" (Scharpf 2017, 282; translated by WM). Since these austerity measures continue to be imposed on the debtor countries for a long period of time, such measures cannot even be legitimated as emergency measures (ibid.). The hopes of Jürgen Habermas and other pro-EU democrats that the Euro crisis would open up possibilities for further democracy within the Union have not been fulfilled thus far.
- The competing political parties of the debtor countries, from the right to the left, did not offer significantly different programs with respect to fiscal policy in their countries, at least until anti-austerity challenger parties such as *Syriza* in Greece and *Podemos* in Spain. But when they came into government such as *Syriza* did, they had basically to follow the external doctrines of austerity programs. The voters vote, but seem to have only little or no choice (Ruiz-Rufino and Alonso 2018, 198). However, policy "choice" is an important matter in pluralist democracies and is indeed perceived as such by the large majority of the citizens (ibid., 203). The two authors conclude: "When citizens observe that democracy is a system in which parties lose elections but winners are unwilling or unable to implement alternative policies …, the satisfaction with democracy decreases" (ibid., 220).
- Politics without choice often leads to lower trust of the citizens in their governments, political elites, and even democracy as a whole. Armingeon et al. (2016) argue that citizens care about democratic choice and perceived it as largely absent in the net recipient countries during the Euro crisis. However, there are other authors (Scharpf 1999) who observe a tendency in present-day democracies whereby people are more interested in the delivery of economic welfare ("output") than correct democratic decision making ("throughput") or strong citizen participation ("input").

There are much fewer negative consequences for the so-called net donor countries within the Eurozone. Nevertheless, there are also a few worth mentioning here:

- Disempowerment of parliaments. Democratic politics and deliberative decision making in the parliament has been accused of being too slow. The German chancellor put pressure on the parliamentarians to decide within one week on matters that most of them did not understand. The blackmailing argument of the executive against the legislature was: If you do not pass the Euro bailout bill, the financial markets may face turbulence. Democracy, in other words, has to conform to the markets rather than the other way around. Angela Merkel and other governing elites of the Eurozone located states "in markets, rather than markets in states" (Streeck 2016, 22). "Global governance" is now seen by many executive elites and scholars of International

Relations as the appropriate form to govern in the age of globalization. The expectation is that "coercive states" have disappeared and have been substituted by a "voluntaristic civil society … international organizations and epistemic communities" (ibid., 23).

To Summarize

Financial capitalism turned out to be harmful for democracy. As project FESSUD shows the financialisation of the economy has posed problems to the social and political "embeddedness" of democracies, increased socio-economic inequality, and freed markets from sociopolitical regulation by democratically elected governments. This does not mean that capitalism is incompatible with democracy *per se*. A sustainable coexistence of capitalism and democracy is best achieved through mutual embedding. The existence of the right to private property and functioning markets are vital restrictions on the centralization of political power in democratic regimes. Nevertheless, there has to be a balance of power between markets and democratic governments in economic matters as well. This balance has given way to a pro-market bias that is exploited not least by huge global firms that interfere in the autonomous fiscal competencies of nation states. Ireland and Google is only one of the most visible examples.

Representative democracy has not found effective antidotes against the disease of socio-economic and political inequality and the loss of steering power of national governments and even EU organs. All countermeasures discussed in democratic theory—from referenda to deliberative assemblies, monitoring (Keane 2011), or counter-democracy (Rosanvallon 2008)—may save whales, help control government, and improve certain spheres of local democracy, but have little relevance for reregulating markets, restoring social welfare, and halting progressing inequality (see chapter 2.6). The "cultural turn" of progressive democratic politics has forgotten the problem of regulating capitalism and now stands empty-handed, without a cure for democracy's most obvious disease: inequality.

Is capitalism compatible with democracy? It depends. It depends on the type of capitalism and on the type of democracy. If one insists that democracy is more than the minimalist concept proposed by Joseph Schumpeter and takes the imperative of political equality seriously, the present form of financialized "disembedded capitalism" poses considerable challenges to democracy. If these challenges are not met with democratic and economic reforms, democracy may slowly transform into an oligarchy, formally legitimized by general elections, but heavily dominated by economic interests of powerful global investors.

Needs for Further Research

- The economic crises during the last decade have strengthened the hypothesis that citizens are already content if governments deliver and not least solve fundamental economic problems. We need more empirical research across space (countries) and time whether citizens are increasingly inclined (or not) to prefer output performance at the cost of input and throughput performance. If this is the case, a strong tendency towards technocratic governance could prevail in the future.
- The result would be the return to an "audience democracy", which Bernard Manin has described for the transition from "mass democracy" to a democracy where the citizens have become spectators without powerful collective actors. (Manin 1997). This would be in itself a problematic development. It could be even further exacerbated if and when right-wing populists mobilize against "corrupt elites", "technocracy", and established organizations and institutions of representative democracy.
- We need more comparative research on the role of parliaments in general and during

the financial and Euro crisis in particular. We lack good empirical research on the often anecdotally assumed loss of power of parliaments vis-à-vis markets, executives, and supranational regimes. Only if we can map those lost competencies and gain insights into their causes can we think about antidotes and reform measures.

- Socio-economic inequality has risen. However, the degree differs from country to country among the OECD or EU countries. We need more systematic knowledge about the causes of those differences as well as to what extent it depends on the type of market (de-)regulation and on specific welfare measures. The rule of thumb the higher the degree of market regulation and the bigger the welfare state does not suffice for finding out what are the driving forces of inequality and which political measures can reduce socio-economic and therefore also political inequality.

2.5 Direct Democracy and Democratic Innovations

Whenever the principal institutions and procedures of representative democracy lose esteem and acceptance among the citizens, the call for more direct democracy grows and becomes ubiquitous. Disappointed citizens want to decide directly on concrete issues rather than leaving it to the representatives alone. Beyond the old democratic instrument of referenda, there are many different forms of so-called "democratic innovations" that intend to enhance citizens' involvement in a more direct participation in decision making. They cannot all be discussed here. Nevertheless, three forms of direct democracy will be exemplarily presented here (see also Merkel and Pogrebinschi 2018):

- Referenda
- Deliberative Democracy
- Digital Democracy

These three models of participation each rely on a different means through which citizens and civil society organizations can engage with and within the political process.

1. *Referenda* are direct means for citizens to decide on concrete political issues and determine specific policies. In modern times, it is widely used in Switzerland (since 1848 on the federal level), California, Italy, and to lesser extents in many other countries or regions. Among all the forms of direct democratic decision making, it is still the most relevant and powerful instrument for directly determining political decisions.

2. *Deliberation*: Many of the new forms of participation are based on deliberation among citizens themselves or among citizens and state officials. Deliberation encompasses all forms of interaction in which citizens have the chance to voice their positions and hear the positions of other participants (e.g., Citizen assemblies, town hall meetings, Mini-Publics). Deliberation is about voicing opinions or demands, but particularly requires discursive interaction and exchange. Deliberative forms of communicative exchange enable the transformation of positions and preferences of the participants based on rational argument and the "forceless force of the better argument" as the philosopher Jürgen Habermas once put it.

Examples of institutional deliberative designs include several forms of so-called mini-publics, but also policy councils, participatory budgeting, participatory planning, deliberative pools, and multilevel policymaking.

3. *Digital Participation*: Digital tools of information and communication have given rise to a new model of participation. Computers and tablets with access to the internet as well as mobile devices such as cell phones reduce individual transaction costs (time) for participation. New forms of application software and programs have been increasingly designed to allow citizens to play a role in different stages of the policy process, such as agenda-setting, policy formulation, policy implementation, and evaluation/monitoring. Institutional designs that involve digital participation include *inter alia* crowdsourcing legislation, collaborative administration, e-government, and interactive policy platforms.

If we want to evaluate the democratic surplus value (or democratic problems) of these new instruments, the following questions have to be answered: which improvements can we expect if we introduce more direct democratic measures in our predominantly representative democracies? Which of the current malaises of representative democracy can be cured in terms of participation, representation, and policy outcomes? Are these forms of direct democracy complementary to representative government and strengthen liberal democracy or do they substitute and crowd out reliable procedures of representation and weaken liberal democracy as a working system?

2.5.1 Referenda

Most citizens do not consider direct democratic procedures such as referenda to be in contradiction to representative democracy. Rather, they tend to opt for a combination of direct democratic instruments and representative procedures as the most desirable institutional setup because it can enhance their opportunities to meaningfully participate in political affairs. I see four relevant criteria that can determinate whether the legitimate claim for (more) referenda by the citizens also corresponds to a legitimate procedure of democratic decision making: the voter turnout, the sociostructural representativeness of the voters, the character of the referenda campaigns, the reasonability of the decisions, and their compatibility with the normative principles of liberal democracy.

Turnout

There is a majority of citizens in EU member states in favour of more opportunities for referenda. Political elites in democracies have to respond to the growing demand of the citizens. But does the growing demand as it is shown in surveys mean that the majority of those citizens will actually take part in referenda? If we consider the turnout criterion on national referenda, some scepticism vis-à-vis the high-flying expectations seems to be appropriate. In almost all Western and Eastern European countries, the turnout in national referenda lags behind the voter turnout in national parliamentary elections (Merkel and Ritzi 2017, 25ff.). The difference is already evident in Western Europe, but particularly significant in Eastern Europe, as Figure 14 shows. The more frequently referenda are held, the lower the turnout tends to be, as the examples of Switzerland, Italy, and Ireland suggest.

Figure 13: Voter turnout in national referenda and national parliamentary elections (selected OECD countries)

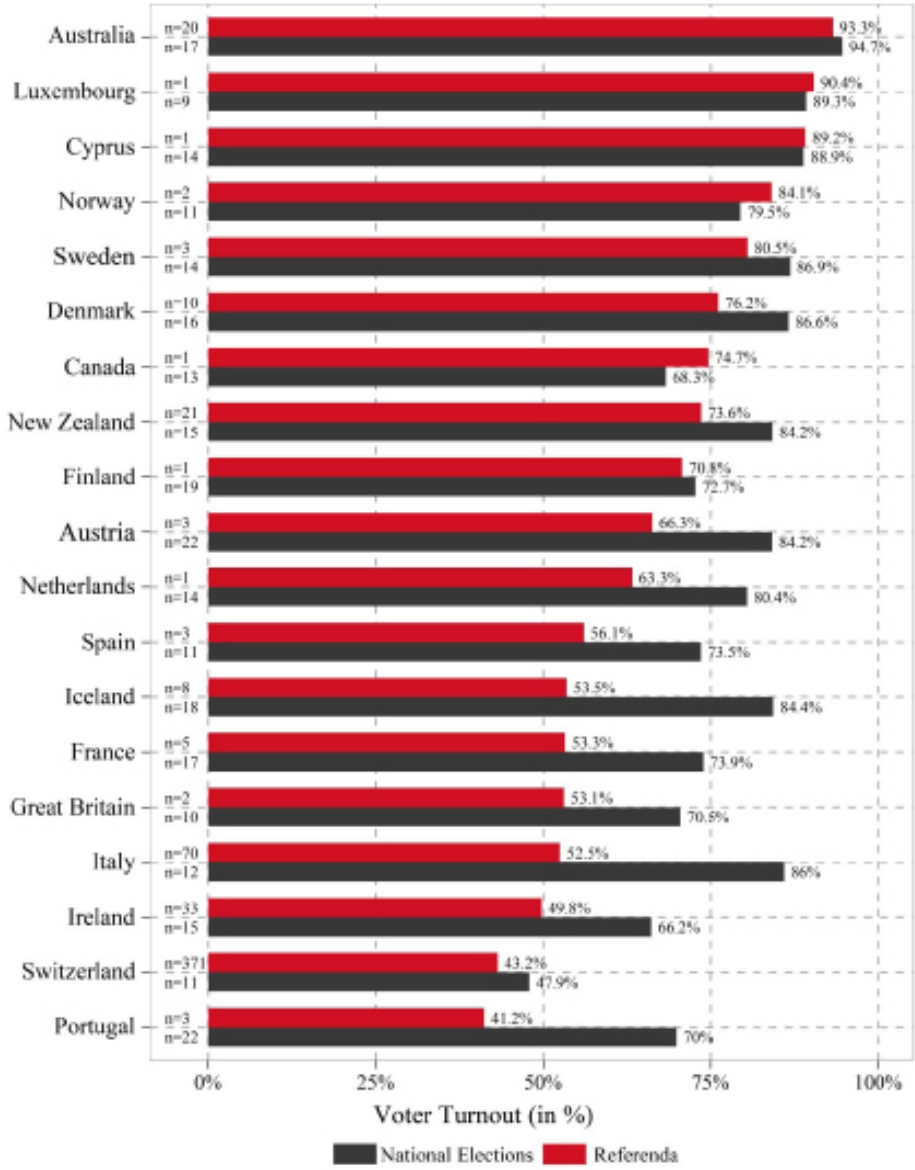
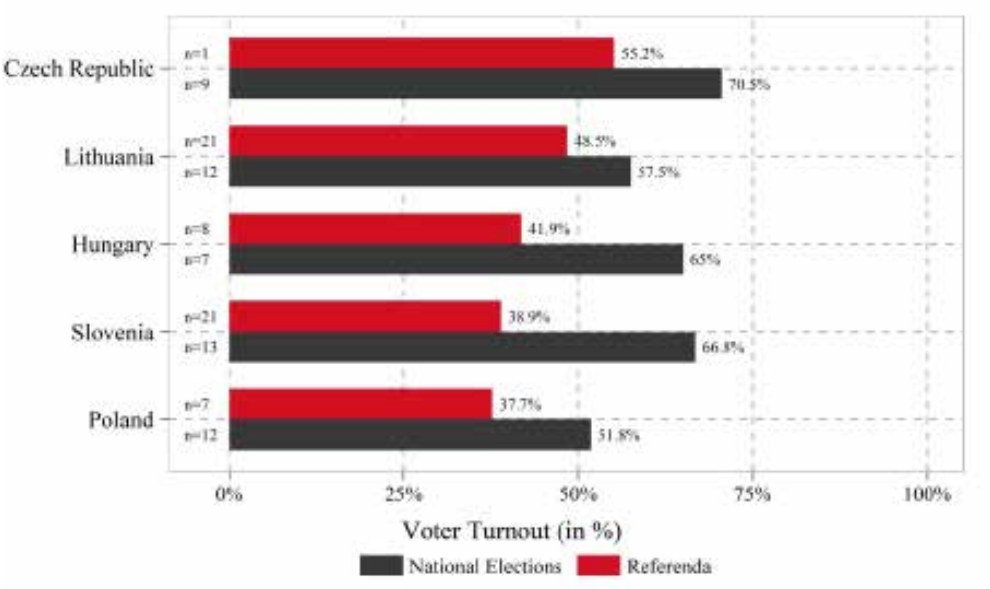


Figure 14: Voter turnout in national referenda and national parliamentary elections in Eastern Europe



The general argument must be clear: If the voter turnout in referenda is systematically lower than in parliamentary elections, the democratic legitimacy of these referenda is questionable. Therefore, a high turnout and reasonable high compulsory quorums for participation are important criteria for determining whether direct democratic measures such as referenda can indeed democratize democracy. The turnout should be similar or close to the turnout of parliamentary elections insofar as the referenda are not complementary but substitutive to parliamentary decision making.

Campaigns

The democratic character of referenda is also determined by the question who dominates the campaign of a referendum. The more these campaigns are influenced by the civil society from below, the more we can consider them to be a democratic complement to representative government. This does not mean that referenda are illegitimate when the established actors of the political society such as political parties dominate the campaigns, but it severely limits their character as democratic complements to representative democracy. However, empirical evidence across several countries shows (Kriesi 2005; 2007, 92; Hornig 2011; Merkel and Ritzi 2017) that, in particular, political elites (government, opposition), parties, interest groups, and to a lesser degree NGOs (especially in local referenda) dominate these campaigns. In California, well-organized interest groups are very active and often tend to capture referenda for private economic interests. This is not the case in Europe, where political parties are the dominant actors (Kriesi 2007) and where the coalition of political parties that support or initiate a specific referendum are the best predictors for the outcome. The stronger the parties within a political system ("partyness of a society"), the more they also dominate referenda (Hornig 2011). In such cases, referenda are only rarely correctives

to representative government, but they at least present a forum for public debates and strengthen the citizens' sense of belonging to the democratic community. Moreover, they signal specific policy preferences of the citizens to the representative institutions such as political parties and the parliament.

Patterns of Results

How compatible is the substance of the results of referenda with the normative underpinnings of liberal democracy? Supporters of referenda sometimes argue that referenda can serve to lift reform blockades within the set structure of the representative system. This was the case in 1974 and 1981 in Italy when an absolute majority of voters blocked conservatives who wanted to abrogate the new laws legalizing divorce and abortions in a referendum. It is just as conceivable, however, that referenda can be used to defend the status quo, as was the case with the infamous Proposition 8 in California or a similar referendum in Croatia in 2013, both of which enshrined an exclusively heterosexual definition of marriage into the constitution.

If one looks to the decision outcomes of referenda with regard to fiscal policy, social policy, and minority questions, there are certain patterns observable at least as far as the experiences of "referendum democracy" in Switzerland and California tell us. Whenever questions of taxation and public expenditures are involved, the results of referenda tend to lower taxes and expenditures. This is also one reason why neo-classical political economists in Switzerland and elsewhere are among the most enthusiastic supporters of referenda (*inter alia* Frey 1994; Feld and Kirchgässner 2000). All three economists also found that those cantons in Switzerland that decide on fiscal matters by referenda display lower public debts than those where the parliament is responsible for fiscal policy.

There is a similar pattern observable if one looks at social policy (Obinger 1998; Wagschal and Obinger 2000). According to the two welfare state researchers who looked at the relation between the development of the welfare state and referenda in Switzerland from 1848 up to 1999, referenda had an limiting effect on social welfare policies in three different regards: they limited the volume of social expenditures, they exerted a retarding effect on the institutionalization of the welfare state, and they had a structurally conserving impact on the social status quo. However, they also argued that once the social welfare state has reached a certain degree of institutionalization, referenda tend to function as a procedural bulwark against the retrenchment of the welfare state, i.e., they preserve the status quo.

While the results of referenda in fiscal and social policy may be judged differently according to the normative standpoint of economists and welfare state researchers, the impact on the quality of democracy has to be regarded as neutral. This is not the case when we look at the third policy field, namely the impact on the rights and protections of ethnic and other minorities. There are not firm patterns recognizable, but systematic studies for Switzerland (Helbling and Kriesi 2004) and California (Bowler and Donovan 2001) show certain trends towards illiberalism. Especially as Right-wing Populist parties have discovered referenda as a promising instrument for illiberalizing our democracies and stopping further European integration. Legislators have to carefully distinguish between those issues that are suitable for further referenda in order to democratize our democracies and those that are not. In any case, the fundamental rights of minorities do not seem to be appropriate issues to be dealt with in referenda, which are majoritarian democratic instruments *par excellence*.

Referenda and European Integration

If we look to national referenda concerning matters of the European Union, the voter turnout grows significantly. This speaks favourably for these referenda, particularly as the voter turnout for the European Parliament remains very low (43% in 2009 and 2014). In terms of turnout, referenda on EU membership and changes to the EU treaties enjoy a high democratic legitimacy within the member states. However, there is a fear that referenda can be used by anti-European forces such as the growing RWPs against European integration.

Very recent European research on these matters (e.g., bEUcitizen[34]) discusses the possibilities of denationalizing EU-wide referenda. The researchers argue that current practices of referenda on EU issues in the member states can produce distortions in democratic functioning due to the *ad hoc* way in which the referenda are held. Firstly, optional referenda mean that the incumbent government calls for a referendum only on issues on which it can expect to receive strong support. As such, optional government-induced referenda are used as strategic instruments, i.e., as plebiscites and not democratic measures. Secondly, optional referenda allow some member states to have stronger negotiation power than others, especially when the referenda are not held simultaneously. Thirdly, optional referenda produce discrimination among EU citizens since only a few of them are given the right to participate. Therefore, the study by bEUcitizen (Deliverable 8.7) proposes a model for a European referendum that is: (1) held on EU-internal issues of primary law; (2) mandatory; (3) simultaneous in all member states; (4) binding; and (5) simple regarding subject matter.
The same research shows that a majority of citizens in Europe would be willing to vote in such EU referenda. Moreover, statistical analysis shows that Europeans who are more likely to vote in an EU referendum exhibit stronger support for the European Union. Giving the vote to EU citizens in referenda, therefore, would not necessarily block the integration process, at least not in a medium to long-term perspective. Nevertheless, it is very doubtful whether this dynamic will continue when RWPs strongly mobilize against European integration.

However, there is insufficient evidence supporting the fundamental critiques of direct democracy at the European level. On the one hand, the objections bring to light general problems of democracy that will neither disappear nor subside by refraining from direct democracy altogether, but need to be addressed by legal instruments that apply in direct and representative democracies. On the other hand, both the objections and the related empirical research highlight that direct democracy needs to be in a complementary relationship with representative democracy and should be integrated within robust constitutional conditions that guarantee fundamental rights and the principle of subsidiarity.

2.5.2 Deliberative Democracy

Referenda are sharp majoritarian swords in political decision making. The different forms of deliberative democracy follow an opposite logic. The basic idea is that of a procedure that creates an discursive environment for small groups that is conducive to providing the participants with solid information about a controversial political issue (e.g., electoral reform (British Columbia 2005 and 2009), abortion (Ireland), migration) and organizing a discussion where rational argument is the standard and everybody has an equal chance to participate.

34 Report on options for direct democracy in the EU (bEUcitizen Deliverable 8.7). Also Policy Brief 2016L: Towards a more legitimate form of direct democracy in the EU. Policy scenarios and recommendations from bEUcitizen, a research project on the barriers to realise and exercise citizenship rights by European Union citizens.

All this is grounded in an elaborate theory of rational non-distorted discourses and a "Theory of Communicative Action" (Habermas 1984 [1981]) developed by the German philosopher Jürgen Habermas. The groups or small assemblies are to be freed from particular interests, power, and rhetorical dominance. A trained facilitator chairs these meetings and sees to it that the (ideal) conditions of communicative discourse and action prevail. The claim is that the "forceless force of the better argument" should bring the participants to well-informed rational positions which are fair and conducive for community-building. This is certainly a quite simplified abstract of a complex theory (for the theory, see *inter alia* Dryzek 1990; 2000; Fishkin 1991; 1997; Goodin 2000; Gutmann and Thompson 2004).

But deliberative praxis as we know it certainly shows some distance from theory and focuses mainly on information, rational argument, and equal access to discourse. With the so-called "systemic turn" (Dryzek 2010; Mansbridge and Parkinson 2012), the theory of deliberation was supposed to be transformed into a concept that can be applied in political reality. Political reality means that real assemblies and groups can be randomly sampled or selected on a certain representative basis and entrusted with the authority to consult, advise, and co-decide in political affairs. Beyond those "real groups," there is an experimental branch of deliberation that can be subsumed under the headline "deliberative polling" (see *inter alia* EUROPOLIS Activity 8.5., Deliverable 16). These are experiments where small groups of (EU) citizens are sampled around a specific topic and discuss it in a deliberative setting for a few days. One major result is that people often change their opinions after an intensive discourse. The social scientists who organize these meetings ascribe such changes in opinion to the better information and the deliberative exchange of opinions and arguments. According to Irena Fiket, Espen D. H. Olsen, and Hans-Jörg Trenz (2011, 24) (EUROPOLIS Project): "… the EuroPolis experiment proves that citizens are in principle able to interact and debate across languages and cultures, thereby turning a heterogeneous group of randomly chosen participants into a nascent constituency of democracy." The wider claim of most deliberative theorists and practitioners is that if society can provide many deliberative "mini-publics," these will contribute to creating rational, well-informed, and fair decisions.[35]

Democratic Gains

Deliberative democracy or—more pragmatically—democratic deliberation promises, above all, democratic gains on the output side. Deliberative procedures are supposed to produce more rational, reasonable, and fair output (decisions) and strengthen the common sense of belonging to a political community (macro level). This reflects the traditions of Enlightenment thought from Kant to Habermas. On the micro level of individual opinions, most deliberative experimentalists emphasize the change of individual preferences in favour of rationality and fairness. The driving force of "better" decisions are more qualified information and the deliberative setting of common reasoning and debate. To what extent such a communitarian change of preferences finds its difficult way from the experimental micro-environment towards the relevant political macro level of the democratic system is a troublesome question that has yet to be answered satisfactorily by all the "deliberationists". This is not to say that there were no valuable attempts to implement the idea in practice. John Dryzek, for example (1990; 2000), proposed so-called Mini-Publics and watered down the demanding rationality of democratic deliberation beyond particular interests and

35 It should be already noted here that this claim by most of the deliberative theorists and activists is often challenged by other democratic theorists of different provenance such as Pluralists, post-Marxists, or Liberals (see below).

domination. He even accepts rhetoric and negotiation and prefers to talk about "discursive" instead of "deliberative" democracy (Dryzek 2011, 101). Moreover, Dryzek moves the deliberative focus from rational and fair outputs to the input dimension of emancipatory participation of civil society activities. He thereby consciously relies on Tocqueville's legacy of "civic associations," which he sees as successfully substituted by discursive fora, citizen assemblies, and new social movements in modern times. However, Gutmann and Thompson (1994) consider civil society activities more as preconditions than results of deliberative discourses. According to both authors, the preconditions can best be generated by a functioning tax- and welfare state, which places particular emphasis on the excellent education of the citizens. Respectful communication, acceptable arguments, negotiation, and compromises characterize the "pragmatic turn" of democratic deliberation away from the pure ideals of "communicative action" (Habermas 1984 [1981]).

Democratic Problems

The aforementioned democratic gains must be confronted with a series of democratic problems that have yet to be solved. Adam Przeworski, an eminent scholar of democracy and a rational-choice political theorist, points to a supposedly logical inconsistency of the deliberative setting. If, so goes his argument, all participants have equal information and equal chances to participate, then deliberative processes should not change convictions (Przeworski 1998, 145). If they do so nonetheless, there might be two problematic causes behind it: (a) the participants do not, in fact, have equal access to information or (b) they do not have the same cognitive capacity to deliberate (ibid.). Przeworski doubts that deliberative rules and communication alone are able to produce reason and truth in a societal environment characterized by unequal political power and an asymmetrical distribution of economic and cognitive resources. Jane Mansbridge (1980), currently one of the most eminent protagonists of the pragmatic turn of democratic deliberation, confirmed Przeworski's doubts in an early study in 1980. Her empirical research of town hall meetings in New England showed that these real (not experimental) publics could never fully avoid the asymmetries of power, economic resources, cognitive competencies, social status, gender, and social networks.

Pluralist democratic theorists such as Ian Shapiro (2003) are very critical of some of the normative presumptions of deliberative democracy. They argue that instead of rejecting particular interests from deliberative discourses, openly acknowledging and negotiating different conflicts of interests constitutes the procedural fabric of open and pluralist societies. Differences of interest and normative conviction are simply too big in society for finding "the" common good by collective deliberation only. This is quite obvious if one looks at tax, social, and economic policies, but also if one considers value-loaded questions such as abortion or gay marriage. Chantal Mouffe (*inter alia* 2000; 2005) argues even more critically against the Habermasian idea of consensus-based democratic deliberation. For her, "conflict" is the essence of the political. Against deliberative "depoliticisation," she calls for an "agonistic"[36] processing of "antagonist conflicts" that are ineradicably immanent to modern capitalist societies.

An additional problem of deliberative democracy seems to be built into the somehow heroic assumption that unequal cognitive resources can be equalized by information and facilitation. The suspicion arises that relatively brief introductions to complex issues such as

36 "Agonistic" means emphasizing antagonistic conflicts in society and politics, but finding procedures that allow for dealing with these conflicts within the normative boundaries of democracy.

climate change, the working of financial markets, pension formulas, or labour markets are not sufficient means to equalize unequal information and discursive capabilities between a professional economist and a supermarket cashier. If the issues are less complex, such as the construction of streets, roads, parking slots, and airports, the information problem can more easily be solved. On the other hand, deliberative democratic procedures would then be relevant mostly for less important issues of *low politics*. In any case, we have to make clearer which political issues are suitable for democratic deliberation and under which circumstances deliberative assemblies should have consultative competencies or even the authority to make binding decisions for the respective community. In order to meet the demanding criteria of democratic legitimacy, consultative functions should be combined with genuinely democratic procedures such as referenda or parliamentary decision making. An additional democratic problem concerns the role and the selection of the facilitators. The old question arises: who guards against the guardians? Facilitators have an eminent focal position. They supervise the discussion and may also be influential in selecting the experts for supplying unbiased information about the political question involved. If these deliberative mini-publics are to be implemented on a large scale, then commonly agreed rules have to be drawn up concerning who selects the facilitators and experts and who supervises them. If democracy is – beyond freedom and equality – also about how to control those who have power, facilitators must be controlled as well by democratically legitimated bodies. Up to now, there are no convincing solutions proposed to solve this key democratic question.

Conclusion

Democratic theories have to pass a double test: they have to observe the logical laws of internal consistency on the one hand and be relevant in political reality on the other. If they do not pass the first criterion, we should not speak of a democratic theory. If they do not stand the test of political relevance, they run the risk of remaining "Glasperlenspiele" for purely academic debates. Deliberative theory is highly consistent in Habermas's writings on "Communicative Action" (1984 [1981]) and "Between Facts and Norms" (1996). But his theory cannot easily be translated or even tried out in political reality. This is one reason why there are many more books about experimental "deliberative polling" than about real deliberative assemblies. The pragmatic turn in democratic deliberation has reduced the demanding normative requirements and made different forms of deliberative democracy more applicable to political reality. As yet, however, bottom-up deliberative democracy does not play a major role in real political participation and decision making. This does not disqualify the deliberative idea of democracy as such and its possibly positive complementary effects on representative democracy. However, we have to accept the empirical fact that democratic deliberation has not been implemented forcefully into democratic practice within the democratic OECD world thus far. We do not deny its democratic potential, but it has yet to be powerfully materialized.

2.5.3 Digitalization of Democracy

Digitalization is fundamentally changing our societies, as the Industrial Revolution once did. It changes our daily communication, modes of production, work, and financial transactions. It has already started to change specific spheres of democracy and democracy as a whole. We are witnessing a "digital" or computational turn (Berry 2011). Although there is a growing bulk of dispersed (not always high-quality) literature, we do not sufficiently understand the specific impact digitalization has, can, and will have on the working of democracy. The theoretical quality and reflexivity of writings about e-democracy is far from the sophisticated and epistemic quality of traditional theories of democracy. At times, it is a case of "technological innovations simply searching for new areas of application" (Schaal 2016, 300). Specialists on digitalization do not know very much about democratic theory, while democratic theorists often remain largely ignorant about the sophisticated democratic mechanisms of digitalization. Since there is a strong need for theoretically informed empirical research about the risks and opportunities for democracy in the present and future, we need more research cooperation between cyber- and political scientists. It will help us to understand better how and which forms of digitalization will impact on which institutions, procedures, and collective actors of the political system and what consequences they will have on the future of democracy. Finally, we need more insights on how digitalization influences the political behaviour of citizens.

There is no authoritative definition of cyber or e-democracy[37]. However, Päivärinta and Øystein (2006, 818) presented already twelve years ago a definition that is parsimonious, encompassing, and consensus-friendly: "E-democracy refers to the use of information and communication technology (ICT) in political debates and decision making processes, complementing or contrasting traditional means of communication" (Päivärinta and Øystein (2006, 818, cited in Schaal 2016). Since the discussion began at the beginning of the 1990s, we can distinguish between three phases of discourses about cyber democracy, which can be briefly described as first optimism, then realism, and at present a visible tendency towards scepticism.

The literature in the first phase from 1990 to the mid-1990s was characterized by an optimistic utopian vision of cyber democracy. The Internet was seen as a universal space for communication, participation, and deliberation. The grand promise was that the confines between communication, participation, representation, and decision making will disappear; space and time will lose their limiting character and the enlightened digital citizen will be able to switch between these four dimensions of politics according to his or her needs. The digital utopians expected that most of the democratic procedures and processes will be transferred from the off-line world to the online cyberspace. More libertarian observers hoped that the citizens would take over genuine functions from the representative democratic state. The communitarians among the cyber utopians hoped for a bottom-up participatory revolution and a political community that can be local, national, or transnational (Schaal 2016, 283). Nevertheless, some more critical voices already warned that such communities can be fluid and fictional (Rheingold 1993).

By the end of the 1990s, the grand utopian visions of cyber democracy had disappeared. The focus was now directed to concrete forms of digital participation at the local and sometimes at the national level. A series of different digital instruments were developed

37 We are using the two terms here as synonyms.

to invite citizens to express their opinion or even to become involved in debating concrete laws and policies. *Crowd legislation* tried to draw citizens into the arena of meaningful participation and thereby allow them to have a real impact on material political decisions. The vision projected a second-order democracy, where the citizens do not only monitor their representatives but also participate in concrete policy formation.

In the third phase, the *realistic experimentalism* seeking to improve the intermediation between represented and representatives has not disappeared. But it is now accompanied by a still ongoing pessimistic trend that, in particular, emphasizes the risks of the Internet for democracy. The US political scientist Rogers Brubaker speaks in this vein of a "crisis of public knowledge" (Brubaker 2017). The influential critique of Evgeny Morozov (2012) emphasizes "the dark side of Internet freedom" and calls it "the Net Delusion"[38]. Big data collected and commercialized by private oligopolies such as Google or Facebook have now emerged as risks for democracy. They are no longer considered to be the electronic agora of the twenty-first century, but rather threaten to infringe on the constitutional rights of individual privacy. Accusations have emerged that the cyberspace can be used by bots and other tools to influence electoral outcomes, as it was alleged to be the case with Russian bots and Cambridge Analytica in the US presidential elections in 2016.

At present, the perception of digitalization in general and the "digitalization of democracy" in particular oscillate between euphoric projections and fundamental critique. Therefore, it is important to look from an unbiased position at the chances and risks of digitalization for four specific and crucial functions within the democratic system: communication, participation, representation, and decision making.

Communication

The media scientist Gerhard Vowe (2014) has diagnosed an ongoing transformation of the public sphere. The key terms he is using to describe that transformation are volatility, virality, and plurality. *Volatility* describes the increased speed of communicative actions, reactions, and absence of communicative sustainability. *Virality* means that the relevance criteria for news and messages are changing. The selection of news are more driven by "likes", "dislikes", "sharing", and non-transparent algorithms than by the traditional criterion of "importance" selected by journalists, experts, and politicians. *Plurality* indicates the new fragmentation of the public sphere. The dominance of national newspapers, political magazines, and TV stations has been eroded by thousands of new online media, blogs, platforms, Twitter, social media, and so forth. Cyber-optimists emphasize the greater plurality and the disempowerment of oligopolistic big media or the state and praise the emergence of a supposedly power-free sphere of communication. Sceptics argue that there might be a pluralistic new online media world, but that this change comes with two negative developments. First, the public sphere will increasingly fragment and close itself off from public control and quality control in accordance with professional journalistic standards. This may burden collective opinion-formation already in the shorter run and collective action in the longer run.

Moreover, media research tells us that people have a tendency to consume only those news, blogs, and debates and join only those platforms where they hear the echo of their own opinions or prejudices. At least for the German example, it is above all the supporters

38 Morozov goes beyond the democratic OECD world and stresses the effectiveness of the Internet as a tool for autocrats to control their subjects.

of the (populist) far-right parties who communicate primarily in their own echo chambers (Maurer 2017). We have to search for tools counteracting the upward spiralling and mutual reinforcement of hate speech or all those opinions that would not have been expressed in the offline world of face-to-face communication. Second, the ubiquity of abundant information will increase the problem of quality selection of the mixed plethora of news and opinions. It requires a high level of media and political competence to distinguish news from subjective opinions, facts from fakes. Citizens with low levels of education, knowledge, and political competence are in danger of becoming the first victims of fake news. This is another example where the Internet may increase the already existing offline political inequality to the disadvantage of the lower-(educated) classes.

Participation

The boundaries between political communication and participation are already not easy to draw in the offline world. In online media, they tend to evaporate. Is it already political participation if an individual signals his/her (dis-)agreement with a particular political position per mouse click by clicking the like or dislike button or signing an online petition? Be as it may, one of the hopes of the first enthusiasts of cyber democracy was that the Internet will revolutionize political participation. Twenty years later, empirical research has delivered more sobering news. Political participation is as selective online as it is in the offline world. The so-called silent majority of 50 percent of the population does not participate beyond elections (Vowe 2014, 38). The Internet has not changed this lack of interest. For the participation opportunities offered through web 2.0, there is a rule of thumb (at least as far as the users in Germany are concerned): Less than 50 per cent actually take advantage and within this 50 per cent, there is a 90-9-1-percent pyramid. Ninety percent being lurkers who participate sporadically. Nine per cent are infrequent post contributors, while 1 percent of the posters are responsible for 90 percent of the posts (ibid.). This reflects to a large extent the participation rates in offline politics.

Electronic voting[39] (remote electronic voting or "E-voting") is the most conventional form of political participation in or through the Internet (Goldsmith and Ruthrauff 2013; Kersting 2014). There is already some empirical research about the structure, selectivity, and security of E-voting, but most of these studies are case-driven. Estonia as the most successful case is well-researched, for example; other countries certainly less so. E-voting has become statistically massive in the small Baltic country irrespective of age, gender, education, or income. Although it seems to be used by young voters in particular, E-voting does not seem to have increased the total numbers of voters in Estonia (Mulligan 2017). This suspicion has also been emphasized more generally by other earlier studies (Norris 2004; Smith 2005; Hall 2012). In the short run, the so-called digital divide might exacerbate the social selectivity of voting between those who use the Internet and those who do not. This may disappear in the medium run, but most electoral researchers agree that it is the level of political interest that matters and not the comfortability of voting. Graham Smith (2005, 21) argued convincingly that technology may increase the comfortability of voting, but comfortability was never a relevant reason why people voted or did not vote.

Beyond increasing the number of voters and reducing the social selectivity at the ballot in the long run, there are additional issues discussed regarding E-voting. Security and vote

39 There are different forms of electronic voting. Here we only consider voting through the Internet, i.e., so-called I-voting, and not simply electronic voting machines in ballot booths, which does not makes e-voting different from traditional paper ballot voting.

fraud or the manipulations of elections by foreign powers are unresolved issues. Although the security and privacy of voting have not been a matter of dispute so far in Estonia, experts do not rule out that E-voting is not entirely immune to manipulation, fraud, and violations of the secrecy of the ballot. Moreover, some critics emphasize that voting is a ceremonial republican act. Voting at home through the Internet or with the iPhone when you are out with friends would further trivialize this fundamental democratic act for which "people died for and continue to die for" (Mulligan 2017).

The scattered empirical findings we have on Internet voting suggest that there are no substantial differences between online and offline participation in general elections, neither quantitatively nor in terms of social selectivity.

Representation and Decision

There are other forms of digital participation and digital democratization that oscillate between participation and representation. They are used to strengthen the internal democracy of political parties and big social organizations such as trade unions and transnational NGOs. Political organizations such as parties have begun to use electronic tools to let the members directly elect their chairpersons, approve coalition agreements, or express concrete opinions on specific policy proposals. There are signs that the Internet offers platforms and opportunities to members and sympathizers to participate in opinion formation and even decisions (internal elections or on programmatic issues) where they had previously been excluded for various reasons, including technical ones. However, we do not yet have systematic empirical work on where these electronic tools are used, where not, what the impact on party (organizational) internal democracy is and what it means for the strength and weakness of those parties in the context of electoral competition. Since political parties are under particular pressure and most of them are plagued with declining memberships, the question is whether they can rejuvenate themselves through the use of digital instruments. The use of the software "liquid democracy" by Pirate Parties, which have emerged as left-leaning grassroots-democratic digital political parties in various countries, has not been a success, but rather a platform that nurtures distrust, disorder, and splits (see Merkel 2015, 77ff.)[40]

Within civil society, national and transnational NGOs such as Human Rights Watch, Amnesty International, Transparency International, or various civic watchdogs on political corruption and lobby control have used the Internet to broaden their activities and make them more effective. These measures have turned out to be more successful than those of political parties; the Australian democracy theorist John Keane (2011) has written in this vein of an emerging *monitory democracy*, where civic organizations closely monitor those in power. In this sense, monitory democracy is a mixed form of participation: NGOs and civic activists directly participate, but they also monitor the representatives in parliament and government on behalf of the society, from which they claim to have a moral mandate (Keane 2011, 212ff.; Saward 2011, 74ff.).

Beyond party organizations or NGOs, one of the digital promises for the beginning of the twenty-first century is so-called *liquid democracy*. The vision is that digital tools can fluidify the borders between communication, participation, representation, and decision making. There is no coherent concept of liquid democracy, but there is a basic idea, some crucial expectations, and specific software. The visionary idea is to materialize an individualized

40 The Italian populist movement Cinque Stelle has introduced e-software as well.

concept of the old Rousseauian idea of overcoming the separation of represented and representatives in order to create an identitarian democracy. Such a democracy can be seen as a form of plebiscitarian self-government. Individual citizens have the choice to participate in the discussion before a material decision is reached and take part in these decisions on their own, but they can also "delegate" their voting rights to other citizens or organizations whom they trust and whose competence they believe in (see *inter alia* Miller 1969, 107ff.; Ford 2002, 4). According to Ford (ibid.), such delegated voting is premised on the following:

- Each citizen can decide if he or she wants to vote directly in apolitical or policy questions or to delegate that vote instead.
- The delegates do not know for whom they are voting in order to avoid social pressure on the Internet.
- The vote of the delegates has to be public so that the delegating citizens can control the vote of their delegates.
- Delegates can delegate their voting rights to other delegates. Those delegates who accumulate many votes are called super-delegates.

The idea of liquid democracy is hard to criticize from a normative point of view. Nevertheless, the characteristics of its materialization threaten to violate at least two democratic principles: transparency and accountability. If the delegation of votes occurs over multiple steps, the delegating citizens cannot follow anymore what happened with their votes. However, if there is no transparency, there can be no accountability. Liquid democracy as an idea promises a brave new world: flexible, inclusive, fluid, direct or indirect. The individual citizen has the ultimate choice. Nevertheless, transparency and accountability are sacrificed for the vision of a liquid democratic world.

There are certainly more aspects, forms, and opportunities of digital democracy. They cannot be analysed here in detail, but some can at least be named:

- Participatory budgeting, which was "invented" in Porto Alegre, Brazil and exported to various countries, in most cases with much less participation of the citizens than in the country of its origin.
- E-government provides citizens with access to a wide range of public bureaucratic services; while this is certainly an improvement, it should not be euphemistically called e-government, but rather e-bureaucracy.
- FixMyStreet is a digital platform used in several countries all over the world; it is one of the most widespread digital innovations; it gave rise to several other digital innovations that draw on the geo-localization/mapping of urban problems.
- Wikigovernment tries to overcome the tension between the epistemic quality of decision making (expert-government) and input (participation) legitimacy through wiki-government software (Noveck 2009) whereby the wisdom of crowds is used as crowdsourcing in policymaking.
- As scattered as the practices and experiences with digital democratic innovations across countries are, so, too, is our empirically grounded knowledge about it.
- Needs for Further Research
- What we are lacking regarding E-voting are systematic comparisons of the various national experiences with voting through the Internet. We need here more detailed and cross-national research to find out where the best practices are, why they function, and whether they can be transferred to other countries.
- Even if we find out that E-voting may not increase the number of voters, we still have to

investigate whether it at least stops the rising trend of abstention among the youngest age cohorts, which has developed into a relevant problem for advanced democracies.
- How can one develop cyber formats that can reach out to those who are politically not strongly motivated and/or coming from low-education backgrounds and draw them into meaningful electronic arenas of political communication and participation?
- Empirical research on how digital innovations can improve the relation between citizens and their representatives.

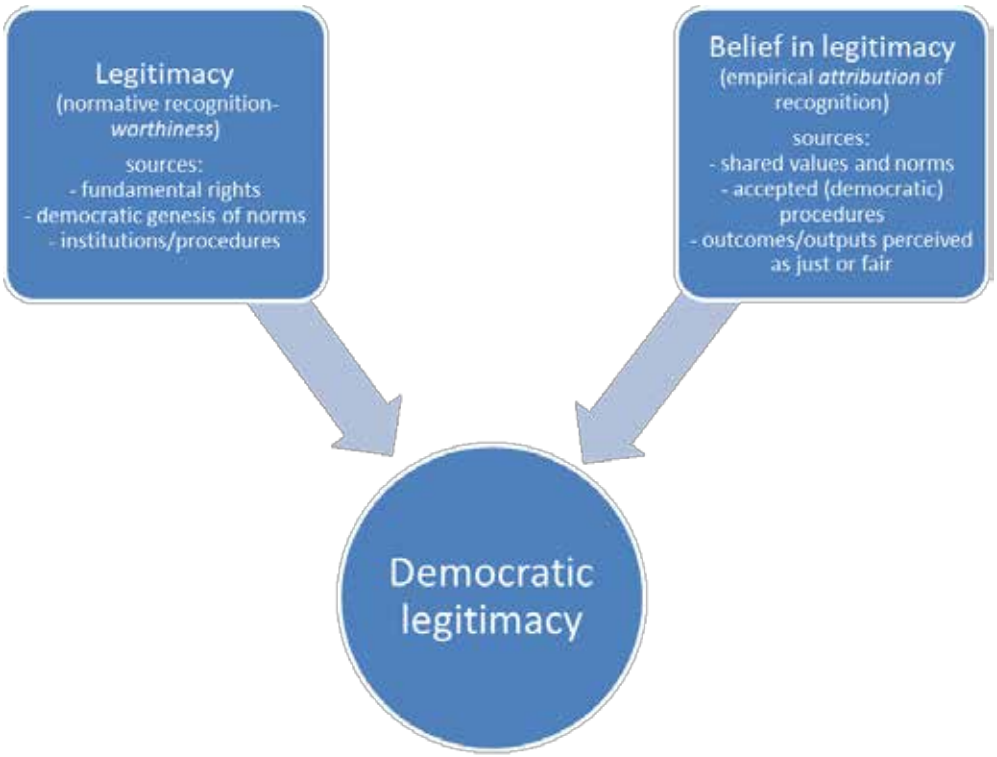
To Sum up Democratic Innovations

Democratic innovations (including referenda) can be relevant instruments to democratize our democracies. For the most part, there are no incompatibilities between them and the principal procedures of representative democracies. These instruments are more relevant for democratic participation than for authoritative decision making. For the latter, they often lack democratic legitimacy. This is particularly true for deliberative democracy and to a large extent for digital democracy as well. It does not apply to referenda, since the democratic subject, the people, decides on substantial policies and political questions. Nevertheless, the same argument applies to referenda as it does to the democratic innovations: their substantial share of the overall volume of political decisions is rather small. This applies even for Switzerland, the referendum democracy par excellence, where on the federal level only 7 per cent of all laws are produced by referenda. The rest are decisions taken by the parliament (Vatter 2014, 374).

2.5.4 Conclusion: Shifting Patterns of Democratic Legitimacy

Democratic legitimacy is constituted by two equally important dimensions: the normative dimension (including democratic core principles, institutions, procedures) and the empirical dimension (legitimacy belief): that is, do the people believe that their concrete democratic system and its institutions, procedures, and output/outcomes are legitimate, and if so, to what degree?

Figure 15: The two dimensions of democratic legitimacy



A democratic system that is deemed worthy of recognition on normative grounds draws its sustenance from central democratic values and norms as well as its democratic genesis. In turn, the empirical ascription of recognition by the citizenry should ideally follow from shared convictions about norms and values, from just, fair, and accepted procedures, and from outcomes that are conducive to the working of democracy. In other words, we can speak of a democratically legitimate system when democratic values, norms, and procedures are present and shared or internalized by the citizens, and when system outputs and outcomes functionally favourable to democracy are perceived as just and fair.

The performance of a democratic regime exerts a decisive influence on the (material) outcome side. In turn, values and norms are incorporated into the procedures themselves, but they also play a key role in the citizens' evaluations of the democratic output. All these observations make it clear that the components of legitimacy are closely intertwined.

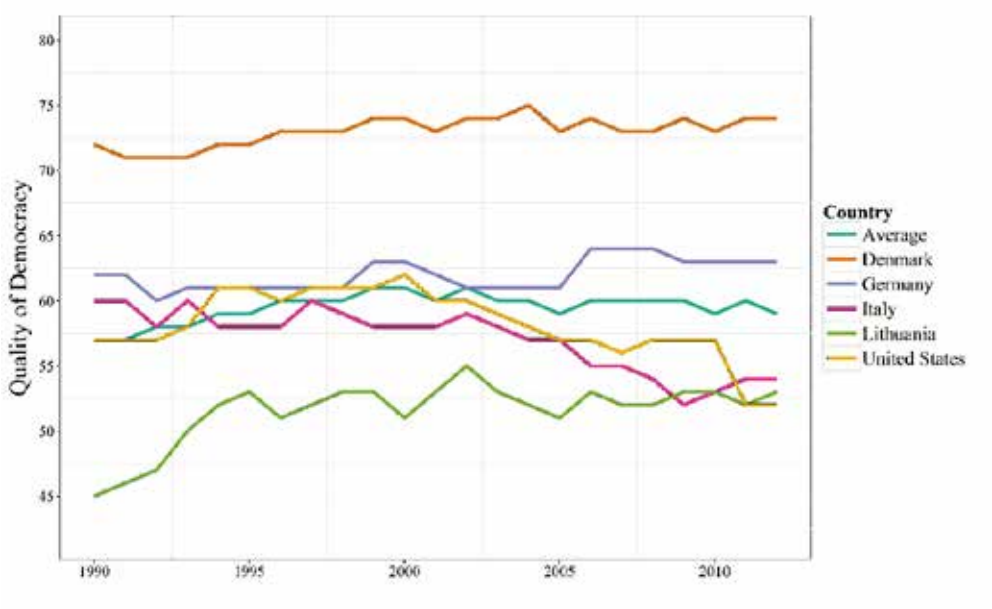
Interdependence of the Components of Legitimacy

The components, conditions, and sources of legitimacy do not spring forth independently of one another; rather, they strengthen or weaken one another reciprocally, as suggested above. Here are a few conceivable hypotheses and connections.

- All other things being equal, belief in legitimacy should become more robust as the requirements of democracy are met more fully and the material performance of the entire democratic system in its political, economic, and social manifestations becomes more convincing.
- In turn, the legitimating power of democratic procedures should be notably enhanced the more the latter can fulfil their own normative premises, and the more they are able to produce the outputs/outcomes that citizens expect.
- Constitutionalists believe that procedures can be legitimized solely on their own terms. In contrast to that view, it appears to us that there may be positive or negative feedback loops among formal procedures, material results, and democratic legitimacy. Even legally established, impeccable procedures lose normative legitimacy as well as empirical legitimation when they systematically generate results that undermine their own foundations. This might happen in a number of ways. For example, such procedures objectively might favour or disadvantage certain groups, certain social strata (see chap. 2.1.4), or financial investors (see chap. 2.4); they might restrict liberties in favour of presumed gains in security.
- There could also be a shift from elected representative bodies such as political parties, parliament, or governments (so-called "majoritarian institutions) to technocrats, central banks, courts, and bureaucracies (non-majoritarian institutions).

The components of legitimacy display not only tight functional interdependence, but also a precarious normative balance. Shortcomings in one of the sources of legitimacy (values and norms, procedures, material outcomes) cannot be compensated for automatically by arbitrary improvements in the others. Thus, for example, a boost in material welfare cannot, by themselves, serve as a justification for executive- or expertise-driven decisions (say, by the IMF or the central bank) that sidestep parliamentary channels, even if this produces an output desired by the citizens. A belief in legitimacy held by (a majority of) the demos is certainly not sufficient to establish democratic legitimacy. It has to remain linked to the appropriate democratic values, norms, and procedures. Conversely, democracies can be undermined if they consistently generate suboptimal outcomes such as lagging material welfare or morally unacceptable and/or divisive decisions. Furthermore, in changing contexts, traditional, tried-and-true democratic procedures may lose the functional and normative virtues that they once had. Thus—and this is not their least important quality—democratic procedures must function in self-reflexive and self-adaptive ways (see above and cf. *inter alia* Rosanvallon 2011, 151ff.). If they do not demonstrate such flexibility, they threaten to become anachronistic and incapable of meeting the challenges posed by their environment. This is one of the criticisms levelled against elections and structures of representation by various theorists and scholars of democracy, including Crouch (2004), Manin (2007), Rosanvallon (2011; 2018), Streeck (2013), Mair (2014), and Keane (2016).
Since democratic legitimacy is not an either/or, but a matter of degree, we can empirically observe shifts in legitimacy belief (e.g., Eurobarometer: Satisfaction with democracy; trust in majoritarian and non-majoritarian institutions), but we can also look at shifts in the normative quality of democracy (Democracy Barometer).

Figure 16: Quality of democracy of the 30 best democracies worldwide

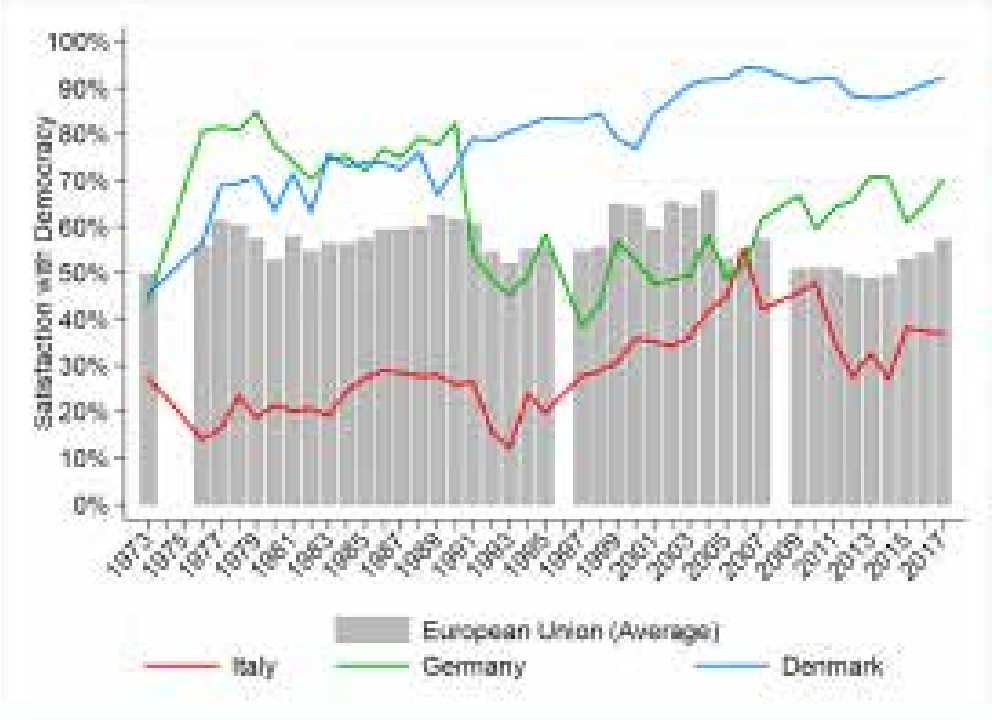


Annual averages for the 30 best democracies of the Democracy Barometer.
Source: Democracy Barometer.

The figure above shows that the average normative quality, measured by roughly 100 indicators, of the 30 best democracies, including most of the Western European democracies, has not declined since 1990. The alarmist diagnoses that the most advanced democracies are in a deep crisis cannot, then, be confirmed by systematic empirical research.

Is the same true if we look at the people's legitimacy belief, as measured by the subjective "satisfaction with democracy" (Eurobarometer)? The grey columns indicate the average proportion of respondents in all member states (while they were members of the EU) who are "very satisfied" with democracy. In 1973, when the EU had only 12 members, 50 per cent of respondents were highly satisfied. Forty years later, with the European Union now comprising 28 member states, there is an even higher proportion of those highly satisfied with democracy (ca. 57%). Seen from the subjective dimension of the citizens' belief, the democratic legitimacy of the democratic system as a whole has not decreased during the last four decades.

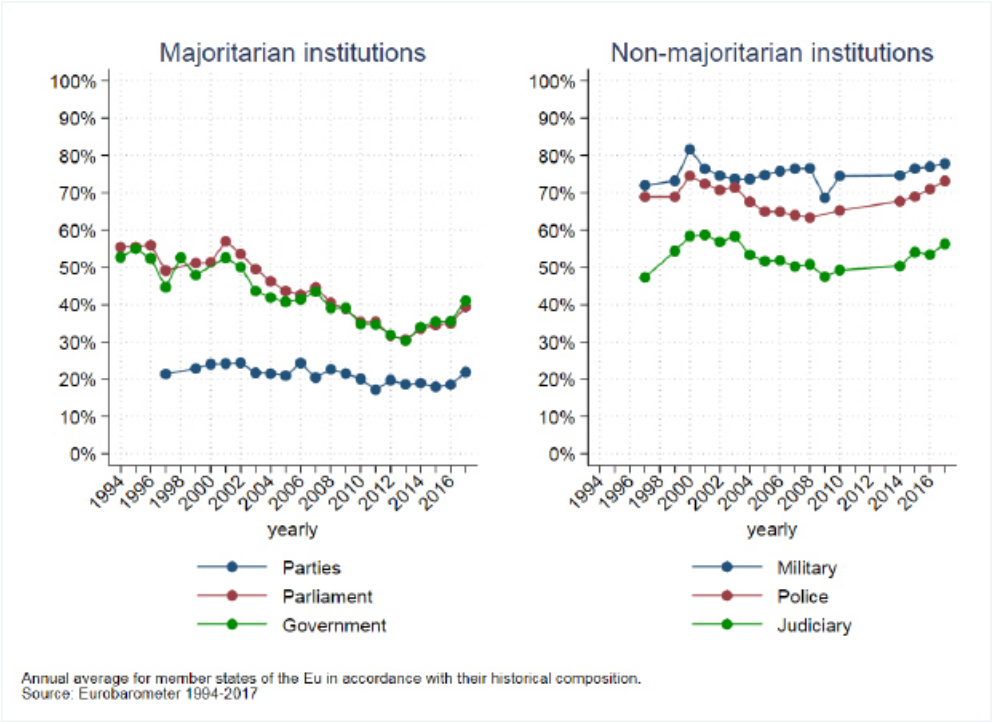
Figure 17: Satisfaction with democracy in the EU (1973-2017)



Source: Eurobarometer (1973-2017).

However, this picture of the system as a whole conceals more problematic developments, as the next Figure 18 reveals. The people were also asked how much they trust specific institutions. On the left side, we see parties, parliaments, and governments, which one can call "majoritarian institutions". They were elected on the basis of electoral majorities and decide on the latter's behalf, often according to the same majority principle. The right side of the figure displays the people's trust in institutions such as the military, police, and the judiciary. In these institutions, the personnel is selected according to meritocratic and not democratic principles and decisions are reached according to non-majoritarian principles. For the period from 1994 to 2017, where solid Eurobarometer survey data are available, trust in parliaments and governments declined significantly and trust in political parties remained at the very low level of 20 per cent. By contrast, the non-majoritarian institutions of the state enjoyed high and stable levels of trust, much higher than the democratically elected institutions. Thus, a paradox of democracy arises. The people do not trust very much those institutions that they can vote for, but they do trust institutions that they cannot vote for and that are not accountable to them. "A shift in preferences seems to be taking place in the minds of citizens: expertise, unpolitical administration, and rapid decision hierarchies are valued over voice, pluralistic competition, parliamentary deliberation, and the limited capability of governments to solve problems" (Krause and Merkel 2018, 42). There has been a shift in the empirical dimension of democratic legitimacy from institutions of democratic representation to non-partisan institutions to which expertise and efficiency are ascribed.

Figure 18: Trust in majoritarian and non-majoritarian democracies (1994-2017)

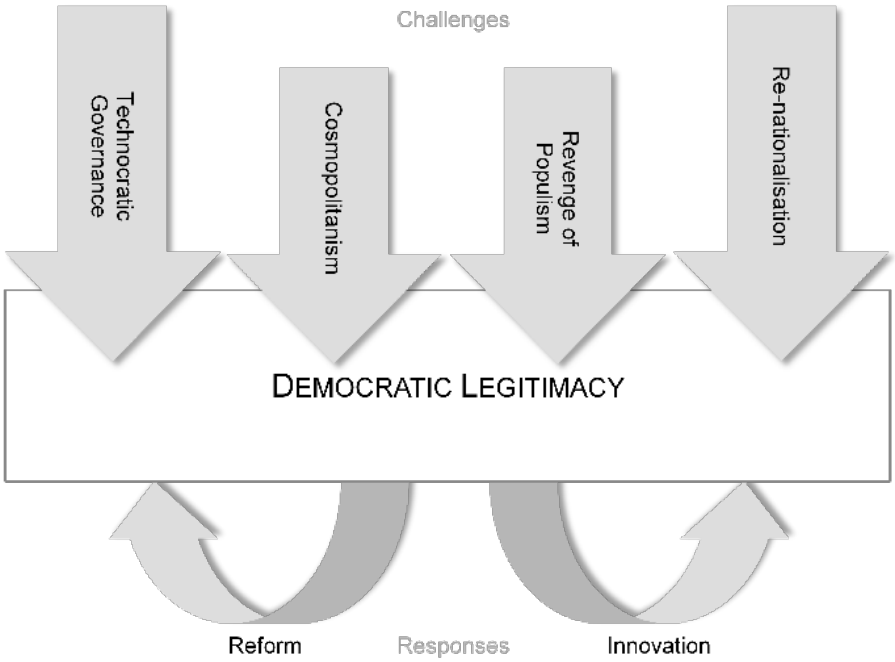


Annual average for member states of the Eu in accordance with their historical composition.
Source: Eurobarometer 1994-2017

Only during the last few years does the downward trend seem to have been broken and given way to an increase of trust in representative institutions. Nevertheless, the trust in the core democratic institutions remains low in contrast to the procedures of direct democracy we have discussed in chapter 2.5.

There are two reactions to this development that can be observed. The first is the renationalization of parts of the political societies all over Europe mobilized by populist politics (see chap. 2.3.1). The other reaction consists in creative inventions of new forms of political participation and communication. As much as some of these innovations can be criticized, it cannot be denied that they are driven by democratic citizens and politicians. It depends on the type and effectiveness of reform and innovation whether the challenges to democracy such as technocracy, populism, and renationalization can be successfully dealt with.

Figure 19: Challenges to democratic legitimacy, reform, and innovation



However, democratic reforms have to go beyond such innovations. The core of well-developed territorial mass democracies has to be representative institutions, which likewise have to be reformed. Political parties, parliaments, and governments have to continue to become more transparent and accountable to the people. They should not deny the constitutive role of antagonistic interests in modern capitalist societies and cannot be silent about the difficulty of integration into heterogeneous societies; but they should be able to transform these antagonistic interests into agonistic expressions of political conflict that are compatible with the principles of democracy. This goes beyond the institutional structure of democracies and aims at the responsiveness and responsibility of the political elites.

3. General Recommendations for the Future of Democracy Research

General remark: There is an abundant literature on so-called "democratic innovations", which is enlightening, useful and important for our understanding of democracy beyond traditional democratic representation via general elections, parliament, and government. Nevertheless, this strand of research needs to be better linked to the research on elections, parties, parliaments, and governments. It has to be more critically discussed to what extent these democratic innovations complement, strengthen or weaken the core representative institutions of our "mass democracies" within national and supranational settings of democracy.

Moreover, we need more thorough analyses of the procedures, organizations, and institutions of democracy such as elections, political parties, parliament as well as the challenges to them and their impact on the working of democracy as a whole. They are in particular stress today and are challenged by political actors and academic researchers alike. In order to systematically examine the fragility of today's established democracies, we should look at three interdependent levels of the democratic system: the micro level, the meso level, and the macro level.

On the micro level of political attitudes, behaviour, voting, and participation, we should analyse specific trends that are problematic for stability on the meso level of political parties as well as the macro level of the core institutions of representative democracy.
Micro level: (examples)

- Electoral volatility: what does its steep increase mean for political parties, the party system, and the continuity and effectiveness of governing?
- What are the causes and consequences of the decline of voter turnout in Eastern Europe and what are the causes of the recent increase of turnout in Western Europe?
- What causes the new polarization of party competition and public discourses? How can democracy counter the negative consequences of this?
- What causes the social selectivity of electoral participation? What can we learn from "good" and "bad" practices in different countries?
- Meso level (examples)
- What causes the decline of catch-all parties, what impact does this have on party competition, deliberation, and decision making in parliament, and how does it impact coalition-building and effective government?
- What effects does the decline of catch-all parties have on the cohesion, integration, or disintegration of European societies?
- Why are right-wing populists in some countries stronger than in others?
- What are the differences in the impact on democratic governing if right-wing populists are in opposition, junior partners, or senior partners in governing coalitions, in consolidated and less consolidated democracies?
- Is there a new cultural cleavage between well-educated urban "cosmopolitans" and less-educated rural "communitarians" that restructures the mode of competition in European party systems?
- Macro level (examples)
- European party systems have become more volatile, polarized, and fragmented. Will this make more difficult the forming of stable coalition governments that are

ideologically close enough to produce solid policy responses to the social, economic, and environmental challenges of our times?

- Will the imbalance between global deregulated markets and the nation state endure and will global firms have the power to undermine the proper functioning of a democratic, tax, or welfare state?
- Can the EU strengthen democratic checks vis-à-vis markets? Is the European Union able and willing to promote "positive integration", i.e., reregulating markets in which legitimate democratic interventions have lost their effectiveness?
- Are we living in times of shifting axes of legitimacy? From liberal to populist, from multilateral to unilateral, from supranational to national, and from consensual to majoritarian modes of legitimating political rule? What causes differences in the strength of different modes of political legitimacy in different countries?

Title	Key Data	Description	Link
ADEMU – A Dynamic Economic and Monetary Union	*Duration:* 06.2015-05.2018 *Funding:* 2.500.000 €	The project studied the overall monetary and fiscal structure of the EU and the euro area, and the mechanisms of fiscal policy coordination among member states with specific focus on (1) ensuring the long-term sustainability of EMU, addressing issues such as debt overhang, fiscal consolidation, public debt management, risk-sharing within the union, and crisis mechanism, (2) building resilience to economic shocks, and (3) managing interdependence in the euro area.	http://ademu-project.eu/
bEUcitizen – Barriers towards European citizenship	*Duration:* 05.2013-04.2017 *Funding:* 6.490.312 €	The multinational and multidisciplinary project sets out to identify and analyses which impediments hinder European citizens from realizing their rights as European citizens. The project explored four different areas in which barriers could arise: (1) rivalry between different overlapping territorial layers of citizenship, (2) possible conflicts between different types of rights, (3) possible conflicts between the rights of different categories of citizens, (4) practical hindrances such as language barriers and bureaucratic hurdles.	http://beucitizen.eu/
CATCH-EyoU – Constructing Active Citizenship with European Youth	*Duration:* 09.2015-09.2018 *Funding:* 2.498.787 €	CATCH-EyoU aims to identify the factors located at different levels, influencing the different forms of youth active engagement in Europe. Through different studies, qualitative, quantitative, and an active citizenship intervention in schools, the project will provide a multifaceted understanding of the different factors influencing the perspectives of young people on Europe and of the ways in which young people engage in society, offering policymakers new instruments and "conceptual lenses" to better understand this generation, how they approach public authorities and how they engage materially and symbolically in order to participate in the construction of the societies they inhabit and shape the governmental regimes under which they live.	http://www.catcheyou.eu/

Title	Key Data	Description	Link
CIT-PART – Citizen participation on decision making in knowledge intensive policy	*Duration:* 01.2009-06.2012 *Funding:* 1.000.000 €	The project comparatively studied the use and impact of participatory technology assessment (PTA) and expert-based technology assessment (TA) in science and technology policy in several EU member states and organizations. The project studied questions regarding TA and PTA on xenotransplantation policies in the 1990s and early 2000s. Results showed that citizen participation, in terms of PTA, was rarely used in xenotransplantation policymaking. Rather civil servants and experts were the actors most heavily involved in policy development.	http://www.cit-part.at/
ENACT – Enacting European Citizenship	*Duration:* 01.2008-12.2010 *Funding:* 1.197.910 €	The project assesses European citizenship as enacted by citizens as well as non-citizens (third-country nationals, refugees, illegal aliens). The goal was to determine the meaning given to the idea of European citizenship by those whose acts create new forms of identification. The results showed that acts of citizenship—those acts through which subjects constitute themselves as European—will vary considerably reflecting various trajectories, territories, and cultures.	https://cordis.europa.eu/project/rcn/89506_en.html
ENLIGHTEN – European legitimacy in governing through hard times	*Duration:* 04.2015-03.2018 *Funding:* 2.484.111€	The project is concerned with the legitimacy of European governance in dealing with so-called fast- and slow-burning crises. The research teams investigate three areas: banking crises and fiscal sustainability; deficit reduction and continuity of public services; youth employment and inclusive growth. The objectives of the project are to map how European institutions and expert networks handle crises, differentiate how European modes of governance relate to crises and articulate what modes of governance are best suited to addressing crises.	http://enlightenproject.eu/

Title	Key Data	Description	Link
EUENGAGE – Bridging the gap between public opinion and European leadership	*Duration:* 03.2015-02.2018 *Funding:* 2.496.622€	The goal of the project is to inquire into the current tensions between supranational EU governance and popular mobilization and the national level critically questioning EU driven policies and EU legitimacy. It is based on empirical research on the relationship between public opinion, national and supranational political elites. The survey of 642 national representative politicians on economy, immigration, and security showed how a strong difference between the political elites in Eastern European countries and the rest exists, especially on topics regarding immigration.	http://www.euengage.eu/
EUROPOLIS – A deliberative policymaking project	*Duration:* 04.2015-03.2018 *Funding:* 2.484.111 €	The EuroPolis project explored the forms of democratic deficit that are directly affecting EU citizens. The central question of the project was if citizen involvement in inclusive, informed, and thoughtful deliberation about the EU increase access to politically relevant information, citizens' political engagement in the EU public affairs, perceptions of the legitimacy of EU institutions, a sense of belonging to the EU, and voter turnout in EU parliamentary elections? The project organized a special two-day multilingual event one week ahead of the 2009 European Parliamentary elections in Brussels that was attended by around 400 citizens from all 27 member states. EuroPolis illustrates that the opportunity to engage in real debate is a more effective means to mobilize political participation than endless media campaigns and public relations exercises and has an impact on positive identification with the EU.	https://cordis.europa.eu/project/rcn/194584_en.html

Title	Key Data	Description	Link
EUROSPHERE – Diversity and the European Public Sphere	*Duration:* 02.2007-07.2012 *Funding:* 4.056.373 €	EUROSPHERE wished to provide innovative perspectives on the public sphere that best suit to handle the diversity of European societies. The project wanted to inquire into how political interaction and aggregation of interests on European issues can happen at multiple levels across various types of communicative spaces. While doing this, the project treated elites/experts, political parties, social movements, citizens' initiatives, and electronic/print media as both political/social actors and as components of communicative public spaces and assess their contribution to the articulation of diverse European public spheres.	https://cordis.europa.eu/project/rcn/84702_en.html
FAIRTAX – Revisioning the 'Fiscal EU': Fair, Sustainable, and Coordinated Tax and Social Policies	*Duration:* 03.2015-02.2019 *Funding:* 2.472.750 €	The FairTax research project will produce recommendations on how fair and sustainable taxation on social policy reforms can increase the economic stability of EU member states. How can sustainable taxation and social policy reforms promote economic equality and security, enhance coordination and harmonization of taxation, enhance social inclusion and environmental sustainability? The project uses methods and theories based in law, economics, accounting, ethnography, gender studies, economic history, business and statistics to answer these key questions.	http://www.org.umu.se/fairtax/english/about/
FESSUD – Financialisation, Economy, Society and Sustainable Development	*Duration:* 12.2011-11.2016 *Funding:* 7.923.728 €	FESSUD is a multidisciplinary, pluralistic project which aims to forge alliances across the social sciences, so as to understand how finances can better serve economic, social, and environmental needs. Some of the project's central issues are questions such as: what is financialisation and how has it impacted on the achievement of specific economic, social and environmental objectives?; what is the nature of the relationship between financialisation and the sustainability of the financial system, economic development and the environment?, etc.	http://fessud.eu/

Title	Key Data	Description	Link
GINI – Growing Inequalities Impact	*Duration:* 02.2010-07.2013 *Funding:* 2.699.795 €	The project studied the economic and educational drivers and the social, cultural and political impacts of increasing inequality with novel contributions on the measurement of income, wealth and education inequality. GINI combined an interdisciplinary analysis that draws on economics, sociology, political science and health studies, with improved methodologies, uniform measurement, wide country coverage, a clear policy dimension and broad dissemination. The results showed that income inequality has generally been increasing, but there are marked differences across countries in inequality trends and impacts, highlighting the important role of institutions and policies, including education, which need to be better understood.	http://www.gini-research.org/articles/home
IMPROVE – Poverty Reduction in Europe: Social Policy and Innovation	*Duration:* 03.2012-02.2016 *Funding:* 2.699.857 €	The project studied poverty, social policy and social innovation in Europe with focus on two central questions: (1) how can social cohesion be achieved in Europe and (2) how can social innovation complement, reinforce and modify macro-level policies and vice versa. The aim is to improve the basis for evidence based policymaking in Europe, both in the short and in the long term.	http://improve-research.eu/
ISIGROWTH – Innovation-fueled, Sustainable, Inclusive Growth	*Duration:* 05.2015-04.2018 *Funding:* 2.498.610 €	The project addressed the topic "The European growth agenda" and in particular innovation-based growth strategy for Europe and global production and innovation networks. The main goal was first to provide novel and comprehensive diagnostics of the relationship between innovation, employment dynamics and growth in an increasingly globalized and financialized world economy. Second, on the ground of such diagnostics, the project elaborated policy scenarios and delivered a coherent policy toolkit to achieve the Europe 2020 objectives of smart, sustainable and inclusive growth.	http://www.isigrowth.eu/

Title	Key Data	Description	Link
LIVEWHAT – Living with Hard Times	*Duration:* 12.2013-12.2016 *Funding:* 2.499.366 €	LIVEWHAT aimed to provide evidence-based knowledge about citizens' resilience in times of economic crises allowing for more effective polity responses to the negative consequences of such crises. The focus of the research was on citizens' responses (individual and collective), but also on policy responses. Attention was thus focused on the broad range of coping strategies which European citizens might (or not) enact under the influence of a number of factors such as the scope of the crisis, policy responses to the crisis, public discourses about the crisis, and the individual characteristics of those who are hit by the crisis.	http://www.unige.ch/livewhat/
MediaAct – Media accountability and transparency in Europe	*Duration:* 02.2010-07.2013 *Funding:* 1.468.811 €	MediaAct was a comparative research effort on media accountability systems (MAS) in EU member states as indicators for media pluralism in Europe. The main goals of the project were: (1) to investigate the quantity and quality of MAS as prerequisites for pluralistic debates about media independence in times of growing media concentration, (2) to compare the impact of established and innovative MAS online on different media systems and journalism cultures in Europe and beyond, (3) to develop policy recommendations for EU media policymakers.	http://www.mediaact.eu/

Title	Key Data	Description	Link
MYPLACE	*Duration:* 06.2011-09.2015 *Funding:* 7.994.449 €	MYPLACE identified the obstacles to, and facilitators of, young people's reclamation of the European political arena as 'my space'. The specific objectives of MYPLACE were: (1) To contextualise young people's civic engagement in regional, national and European historical contexts. (2) To map and understand the process of the (re-)production, transmission and (re)interpretation of local, national and pan-European political heritage and experience. (3) To measure attitudes to, and participation, in political organisations, social movements and civic action programmes among young people in Europe and to understand how these attitudes and engagements are differentiated along lines of gender, ethnicity, class and region. (4) To measure views on legitimate forms of political representation and action within the context of different democratic heritages. (5) To map the range of youth activism across Europe and the ways in which young activists are networked inter-regionally and trans-nationally. (6) To understand the appeal of radical, extreme or populist movements to young people and its relationship to regional, national and European political heritage. (7) To inform and assist policy and practitioner agencies to chart and evaluate the political responses to populism in the youth related policies of political parties and within young people's own activism.	http://www.fp7-myplace.eu/

Title	Key Data	Description	Link
PIDOP – Processes influencing democratic ownership and participation	*Duration:* 05.2009-04.2012 *Funding:* 1.499.839 €	The project investigated political and civic participation and engagement in nine European countries. The research focused especially on participation by youth, women, minorities and migrants, four groups that have traditionally been viewed as being at risk of disengagement. The project had a distinct focus on the psychology of the individual citizen and the psychological processes through which macro-level contextual factors and proximal social factors exert their effects upon citizens' civic and political engagement and participation. The research revealed substantial differences in policies on participation both across countries and within countries, and a lack of open engagement with European policies and the national level despite a broad alignment with EU political priorities.	http://www.pidop.surrey.ac.uk/
PROFACITY – Profane citizenship in Europe- Testing democratic ownership in hybrid situations	*Duration:* 11.2008-10.2011 *Funding:* 1.249.999 €	The project considered how people experiment with novel forms of citizenship that modify the outlines of formal citizenship. The research program aimed to examine in what ways the practices of actors who find themselves in situations where they have to make do with their faults, handicaps, lack of resources, are taken (or nor) into account as alternatives to juridical citizenship. Qualitative surveys on three interconnected fields (language and codes, proofs of identity, tests of urbanity) were implemented with focus on "milieus of translation".	https://cordis.europa.eu/project/rcn/90126_en.html

Title	Key Data	Description	Link
RECON – Reconstituting Democracy in Europe	*Duration:* 01.2007-12.2011 *Funding:* 5.000.000 €	The project sought to clarify whether democracy is possible under conditions of pluralism, diversity and complex multilevel governance. The project did so by investigating the EU's protracted constitutionalisation process, the institutional complex in Europe, the role and status of gender within the enlarged Europe, the role of civil society and the public sphere for legitimization/delegitimization of the European integration process, the democratic quality and governing capacity of the Union within tax and fiscal policy and within foreign and security policy, the enlargement process and the consolidation of democracy in the new member states, and the conditions and prospects of democratization in transnational arrangements.	http://www.reconproject.eu/projectweb/portalproject/AboutRECON.html
Re-INVEST – Rebuilding an Inclusive, Value-based Europe of Solidarity and Trust through Social Investments	*Duration:* 03.2015-03.2019 *Funding:* 2.499.600 €	The RE-InVest project aims to contribute to a more solidary and inclusive EU, through an inclusive, powerful and effective social investment strategy at EU level. Moreover, the project itself adopts a participative approach that gives voice to vulnerable groups and civil society organizations. Its aim is to strengthen the theoretical as well as the empirical basis for the social investment approach as a strategy to humanize Europe, building on capability approach of Amartya Sen and philosophy of human rights. The project is embedded in a network of civil society organizations, trade unions, policymakers and academics. European citizens, who were severely affected by the crisis, are actively involved in the design of a powerful and effective social investment agenda.	http://www.re-invest.eu/

Title	Key Data	Description	Link
SOLIDUS – Solidarity in European societies: empowerment, social justice and citizenship	*Duration:* 06.2015-05.2018 *Funding:* 2.495.608 €	The project explored conceptually and empirically current and future expressions of European solidarity from an interdisciplinary approach that integrated views from Sociology, Psychology, Economic Geography, Economic, Philosophy and Public Management. The project made use of such outputs to integrate them with empirical evidences found in a range of social innovation, third sector's and public management's practices from a comparative perspective. The output helped policymakers at the European level top develop policies and instruments that recognize the potential of solidarity to achieve societal goals through available mechanisms of policy innovation while improving the evidence-based character of their policies.	https://solidush2020.eu/
TAPIS – Tolerance, diversity and social cohesion	*Duration:* 03.2010-05.2013 *Funding:* 2.600.230 €	With rising tensions between national majorities and ethnic or religious minorities, the project investigated whether European societies have become more or less tolerant during the past 20 years and in the necessity to clarify: (a) how is tolerance defined conceptually, (b) how it is codified in norms, institutional arrangements, public policies but also social practices, (c) how tolerance can be measured and how the degrees of tolerance of a society across time or of several countries at the same time cam be compared. The project argued that two groups mostly attract negative attention in the public debate because of their presumed inability to integrate into mainstream European secular, modern, democratic societies. These groups are Muslims and Roma.	https://cordis.europa.eu/project/rcn/93998_en.html

Bibliography

Agamben, Giorgio, Alain Badiou, Daniel Bensaid, Wendy Brown, Jean-Luc Nancy, Jacques Rancière, Kristin Ross, and Slavoj Žižek (eds.) 2011. *Democracy in What State?* New York, NY: Columbia University Press.

Ágh, Attila 2018: The 'Populist Explosion' in the West and its Effect on the NMS. The Polish and Hungarian Blind Alley of Populism Compared. *Politologický ČASOPIS (PČ) / Czech Journal of Political Science* 1/2018: 45-63.

Alonso, Sonia, John Keane, Wolfgang Merkel (eds.) 2011. *The Future of Representative Democracy.* Cambridge and New York: Cambridge University Press.

Archibugi, Daniele. 2004. Cosmopolitan Democracy and Its Critics: A Review. *European Journal of International Relations* 10 (3): 437-473.

Archibugi, Daniele. 2008. T*he Global Commonwealth of Citizens: Toward Cosmopolitan Democracy.* Princeton, NJ: Princeton University Press.

Archibugi, Daniele and David Held. 1995. C*osmopolitan Democracy. An Agenda for a New World Order.* New York, NY: Polity Press.

Armingeon, Klaus, Kai Guthmann, David Weisstanner. 2016. How the Euro divides the union: the effect of economic adjustment on support for democracy in Europe. *Socio-Economic Review* 14 (1): 1-26.

Art, David. 2011. *Inside the Radical Right: The Development of Anti-Immigrant Parties in Western Europe.* New York, NY: Cambridge University Press.

Barber, Benjamin R. 1984. *Strong democracy. Participatory politics for a new age*. Berkeley, CA: University of California Press.

Bächtiger, André, John S. Dryzek, Jane Mansbridge, and Mark E. Warren (eds.) 2018. *The Oxford Handbook of Deliberative Democracy.* Oxford: Oxford University Press.

Bellucci, Paolo. 2014. The Political Consequences of Blame Attribution for the Economic Crisis in the 2013 Italian National Election. *Journal of Elections, Public Opinion and Parties* 24 (2): 243-263.

Berry, David M. 2011. The Computational Turn: Thinking About the Digital Humanities. *Culture Machine* 12 (2011) *The Digital Humanities: Beyond Computing*. Available at: www.culturemachine.net/index.php/cm/article/view/440/470. Accessed on 30 May 2018.

Betz, Hans-Georg. 2013. Mosques, minarets, burqas and other essential threats: The populist right's campaign against Islam in Western Europe. In Ruth Wodak, Majid KhosraviNik, and Brigitte Mral (eds.): *Right-wing populism in Europe: Politics and discourse.* London: Bloomsbury: 71-88.

bEUcitizen D8.5 *Democratic parliamentary control in times of crisis; Constraints imposed by financial markets on political choice in the EU (D8.1)*

Bonica, Adam, Nolan McCarty, Keith T. Poole, and Howard Rosenthal. 2013. Why hasn't democracy slowed rising inequality? *Journal of Economic Perspectives* 27 (3):103-124.

Bowler, Shaun and Todd Donovan. 2001. Popular Control of Referendum Agendas. Implications for Democratic Outcomes and Minority Rights. In Mathew Mendelsohn and Andrew Parkin (eds.). *Referendum Democracy. Citizens, Elites, and Deliberation in Referendum Campaigns.* Basingstoke and New York: Palgrave Macmillan: 125-146.

Braun, Daniela, Sebastian Popa, and Hermann Schmitt. 2017. Responding to the crisis: Eurosceptic parties of the left and right and their changing position towards the European Union. EUENGAGE

Brubaker, Rogers. 2017. Forget fake news, social media is making democracy less democratic. Available at: http://www.zocalopublicsquare.org/2017/11/29/forget-fake-news-social-media-making-democracy-less-democratic/ideas/essay/. Accessed on 29 May 2018.

Canovan, Margaret. 2002. Taking Politics to the People: Populism as the Ideology of Democracy. In Yves Mény and Yves Surel (eds.): *Democracy and the Populist Challenge.* Houndmills, Basingstoke, Hampshire, and New York: Palgrave: 25-44.

Coffé, Hilde. 2012. Gender, class, and radical right voting. In Jens Rydgren (ed.). *Class Politics and the Radical Right.* Abingdon: Routledge: 138-155.

Collier, David and Steven Levitsky. 1997. Democracy with Adjectives. Conceptual Innovations in Comparative Research. *World Politics* 49 (3): 430-451.

Crouch, Colin. 2004. *Post-democracy*. Cambridge: Polity Press.

Crouch, Colin. 2011. *The Strange Non-Death of Neoliberalism*. Cambridge: Polity Press.

Crozier, Michel J., Samuel P. Huntington, and Joji Watanuki. 1975. *The Crisis of Democracy. Report on the Governability of Democracies to the Trilateral Commission.* New York, NY: New York University Press.

Dahl, Robert A. 1989. *Democracy and Its Critics*. New Haven, CT: Yale University Press.

Dahl, Robert A. 1998. *On Democracy.* New Haven, CT: Yale University Press.

Dalton, Russell J. 2008. *Citizen Politics: Public Opinion and Political Parties in Advanced Industrial Democracies* (5th ed.). Washington, DC: CQ Press.

De Wilde, Pieter, Ruud Koopmans, Wolfgang Merkel, Oliver Strijbis, and Michael Zürn. 2019 (forthcoming). *The Struggle over Borders: A Political Sociology of Cosmopolitism and Communitarianism*. Cambridge: Cambridge University Press.

Della Porta, Donatella. 2011. *Social Movements and Europeanization.* Oxford: Oxford University Press.

Della Porta, Donatella. 2013. *Can Democracy Be Saved? Participation, Deliberation and Social Movements.* Cambridge: Polity Press.
Downs, Anthony. 1957. *An Economic Theory of Democracy.* New York, NY: Harper-Collins.

Dryzek, John S. 1990. *Discursive Democracy. Politics, Policy, and Political Science.* Cambridge: Cambridge University Press.

Dryzek, John S. 2000. *Deliberative Democracy and Beyond: Liberals, Critics, Contestations.* Oxford: Oxford University Press.

Dryzek, John S. 2010. Rhetoric in Democracy: A Systemic Appreciation. *Political Theory* 38 (3): 319-339.

Dryzek, John S. 2011. *Foundations and Frontiers of Deliberative Governance.* Oxford: Oxford University Press.

Elster, Jon (ed.) 1998. *Deliberative Democracy.* Cambridge: Cambridge University Press.

Enderlein, Henrik. 2013. Das erste Opfer der Krise ist die Demokratie: Wirtschaftspolitik und ihre Legitimation in der Finanzmarktkrise 2008-2013. *Politische Vierteljahresschrift* 54 (4): 714-739.

Feld, Lars P. und Gebhard Kirchgässner. 2000. Direct democracy, political culture, and the outcome of economic policy. A report on the Swiss experience. *European Journal of Political Economy* 16 (2): 287-306.

Fiket, Irena, Espen D. H. Olsen, and Hans-Jörg Trenz. 2011. *Deliberation under conditions of language pluralism. Insight from the Europolis Deliberative Polling Experiment.* Arena Centre for European Studies, University of Oslo, Working Paper No. 9, October 2011.

Financialisation, Economy Society and Sustainable Development: An Overview. FESSUD Working Paper Series No206.

Fishkin, James S. 1991. *Democracy and Deliberation: New Directions for Democratic Reform.* New Haven: Yale University Press.

Fishkin, James S. 1997. T*he Voice of the People: Public Opinion and Democracy.* New Haven: Yale University Press.

Fixmystreet Platform. Available at: https://fixmystreet.org/sites/. Accessed on 30 May 2018.

Ford, Bryan. 2002. *Delegative Democracy.* Available at: www.brynosaurus.com/log/2002/0515-DelegativeDemocracy.pdf. Accessed on 15 May 2014.

Frey, Bruno. 1994. Direct Democracy: Politico-economic Lessons from Swiss Experience. *American Economic Review* 84 (2): 338-348.

Giddens, Anthony. 1998. *The Third Way: The Renewal of Social Democracy.* Cambridge: Polity Press.

Giebler, Heiko and Wolfgang Merkel. 2016. Freedom and equality in democracies: Is there a trade-off? *International Political Science Review* 37 (5): 594-605. doi: 10.1177/0192512116642221

Goldsmith, Benjamin and Holly Ruthrauff. 2013. *Implementing and Overseeing Electronic*

Voting and Counting Technologies. Washington, DC: National Democratic Institute for International Affairs.

Goodin, Robert E. 2000. Democratic Deliberation within. *Philosophy & Public Affairs* 29 (1): 81-109.

Goodin, Robert E. 2008. *Innovating Democracy: Democratic Theory and Practice after the Deliberative Turn.* Oxford: Oxford University Press.

Gutmann, Amy, und Dennis F. Thompson. 2004. *Why Deliberative Democracy?* Princeton, NJ: Princeton University Press.

Habermas, Jürgen. 1973. *Legitimationsprobleme im Spätkapitalismus*. Frankfurt am Main: Suhrkamp.

Habermas, Jürgen. 1975. *Legitimation Crisis*. Boston, MA: Beacon Press.

Habermas, Jürgen. 1984 [1981]. *Theory of Communicative Action,* Volume One: Reason and the Rationalization of Society. Boston, MA: Beacon Press.

Habermas, Jürgen. 1986. *Der philosophische Diskurs der Moderne*. Frankfurt am Main: Suhrkamp.

Habermas, Jürgen. 1996. *Between Facts and Norms*. London: Polity Press.

Hall, Thad E. 2012. *Electronic Voting*. In Norbert Kersting (ed.): Electronic Democracy. Opladen: Verlag Barbara Budrich: 153-176.

Hall, Peter A. and David Soskice. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Analysis.* Oxford: Oxford University Press.

Harvey, David. 2007. *A Brief History of Neoliberalism*. Oxford: Oxford University Press.

Heires, Marcel and Andreas Nölke. 2013. Finanzialisierung. In Joscha Wullweber, Antonia Graf, and Maria Behrens (eds.): *Theorien der Internationalen Politischen Ökonomie.* Wiesbaden: Springer VS: 253-266.

Helbling, Marc and Hanspeter Kriesi. 2004. Staatsbürgerverständnis und politische Mobilisierung: Einbürgerung in Schweizer Gemeinden. *Schweizerische Zeitschrift für Politikwissenschaft* 10 (4): 33-58.

Herr, Hansjörg. 2016. *After the Financial Crisis: Reforms and Reform Options for Finance, Regulation and Institutional Structure.* FESSUD H2020

Held, David. 1995. *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance.* Cambridge: Polity Press.

Held, David. 2010. *Cosmopolitanism: Ideals and Realities.* Cambridge: Polity Press.

Hooghe, Lisbet and Gary Marks. 2017. Cleavage theory meets Europe's crisis: Lipset, Rokkan, and the transnational cleavage. *Journal of European Public Policy*, DOI:10.1080/13501763.2017.1310279.

Hornig, Eike-Christian. 2011. *Die Parteiendominanz direkter Demokratie in Westeuropa.* Baden-Baden: Nomos.

Ignazi, Piero. 1992. The silent counter-revolution: Hypotheses about the emergence of extreme right-wing parties in Europe. *European Journal of Political Research* 22 (1): 3-34.

Inglehart, Ronald F. and Pippa Norris. 2016. Trump, Brexit, and the rise of populism: Economic have-nots and cultural backlash. *HKS Faculty Research Working Paper Series* (https://research.hks.harvard.edu/publications/workingpapers/Index.aspx).

Keane, John. 2003. *Global Civil Society?* Cambridge: Cambridge University Press.

Keane, John 2009. *Life and Death of Democracy.* New York, NY: Simon & Schuster.

Keane, John. 2011. *Monitoring democracy?* In Sonia Alonso, John Keane, Wolfgang Merkel (eds.): *The Future of Representative Democracy.* Cambridge and New York: Cambridge University Press: 212-235.

Keane, John. 2016. *A Short History of the Future of Democracy*. Amsterdam: Mr. Hans van Mierlo Stichting.

Kelsen, Hans. 1925. *Allgemeine Staatslehre. Enzyklopädie der Rechts- und Sozialwissenschaften,* 23. Bd. Berlin: J. Springer.

Kersting, Norbert. 2014. Online Beteiligung – Elektronische Partizipation – Qualitätskriterien aus Sicht der Politik. In Kathrin Voss (ed.): *Internet und Partizipation. Buttom-up oder Top-down? Politische Beteiligungsmöglichkeiten im Internet*. Wiesbaden: Springer VS: 53-87.

Kim, Seongcheol. 2017. The populism of the Alternative for Germany (AfD): an extended Essex School perspective. *Palgrave Communications* 3. Doi:10.1057/s41599-017-0008-1.

Kirchheimer, Otto. 1965. *Political Justice: The Use of Legal Procedure for Political Ends.* Princeton, NJ: Princeton University Press.

Kitschelt, Herbert and Anthony J. McGann. 1997. *The Radical Right in Western Europe: A Comparative Analysis*. Ann Arbor, MI: The University of Michigan Press.

Kneip, Sascha. 2009. *Verfassungsgerichte als demokratische Akteure. Der Beitrag des Bundesverfassungsgerichts zur Qualität der bundesdeutschen Demokratie*. Baden-Baden: Nomos.

Kocka, Jürgen and Wolfgang Merkel. 2015. Kapitalismus und Demokratie. Kapitalismus ist nicht demokratisch und Demokratie nicht kapitalistisch. In Wolfgang Merkel (ed.): *Demokratie und Krise. Zum schwierigen Verhältnis von Theorie und Empirie. Wiesbaden:* Springer VS: 307-337.

Krause, Werner and Wolfgang Merkel. 2018. Crisis of Democracy? Views of Experts and Citizens. In Wolfgang Merkel, Sascha Kneip (eds.): *Crisis and Democracy. Challenges in Turbulent Times.* Cham: Springer International: 31-48.

Kriesi, Hanspeter. 2005. Direct Democratic Choice. *The Swiss Experience.* Lanham, MD: Lexington Books.

Kriesi, Hanspeter. 2007. The role of the political elite in Swiss direct-democractic votes. in Zoltán Tibor Pállinger, Bruno Kaufmann, Wilfried Marxer, and Theo Schiller (eds.): *Direct Democracy in Europe—Developments and Prospects.* Wiesbaden: VS Verlag für Sozialwissenschaften: 82-93.

Kriesi, Hanspeter 2018. Revisiting the Populist Challenge. Politologický ČASOPIS (PČ) / *Czech Journal of Political Science* XXV (1): 29-44.

Kriesi, Hanspeter, Edgar Grande, Romain Lachat, Martin Dolezal, Simon Bornschier, and Timotheos Frey. 2008. *West European Politics in the Age of Globalization.* Cambridge: Cambridge University Press.

Lehmann, Pola, Sven Regel, and Sara Schlote. 2018. Inequality in Political Representation: Is the Lower Stratum Worse Represented? In Wolfgang Merkel, Sascha Kneip (eds.): *Crisis and Democracy. Challenges in Turbulent Times.* Cham: Springer International: 125-144.

Levitsky, Steven and Daniel Ziblatt. 2018. *How Democracies Die: What history reveals about our future.* New York, NY: Crown.

Lijphart, Arend. 1999. *Patterns of democracy: Government forms and performance of twenty-seven democracies.* New Haven, CT: Yale University Press.

Mair, Peter A. 2014. *On parties, party systems and democracy.* Colchester: ECPR Press.

Manin, Bernard. 1997. *The Principles of Representative Government.* Cambridge: Cambridge University Press.

Manin, Bernard. 2007. *Kritik der repräsentativen Demokratie.* Berlin: Matthes & Seitz.

Mansbridge, Jane. 1980. *Beyond adversary democracy.* Chicago: University of Chicago Press.

Mansbridge, Jane and John Parkinson (eds.) 2012. *Deliberative systems*. Cambridge: Cambridge University Press.

Mason, Paul. 2015. *Postcapitalism: A Guide to Our Future.* London: Allan Lane Penguin.

Maurer, Marcus. 2017. Die Bedeutung neuer Medien für populistische Parteien. *Deutschland & Europa* 74-2017: 16-25.

Merkel, Wolfgang. 2001. The Third Ways of Social Democracy. In Anthony Giddens (ed.): T*he Global Third Way Debate.* Cambridge: Polity Press: 50-73.

Merkel, Wolfgang. 2004. Embedded and Defective Democracies. In Aurel Croissant and Wolfgang Merkel (eds.): *Special Issue of Democratization: Consolidated or Defective Democracy? Problems of Regime Change* 11 (5): 33-58.

Merkel, Wolfgang. 2010. *Systemtransformation. Eine Einführung in die Theorie und Empirie der Transformationsforschung*, 2., überarb. u. erw. Aufl., Wiesbaden: VS Verlag für Sozialwissenschaften.

Merkel, Wolfgang. 2014a. Is capitalism compatible with democracy? *Zeitschrift für Vergleichende Politikwissenschaft* 8 (2): 109–128.

Merkel, Wolfgang. 2014b. *Is There a Crisis of Democracy? Democratic Theory* 1 (2): 11-25.

Merkel, Wolfgang. 2015. *Nur schöner Schein? Demokratische Innovationen in Theorie und Praxis.* OBS-Arbeitsheft 80. Frankfurt am Main: Otto-Brenner-Stiftung.

Merkel, Wolfgang. 2018a. Cosmopolitanism versus Communitarianism: A New Conflict. In Michael Bröning and Christoph P. Mohr (eds.): *The Politics of Migration and the Future of the European Left.* Bonn: Dietz.

Merkel, Wolfgang. 2018b. Is Capitalism Compatible with Democracy? In Wolfgang Merkel, Sascha Kneip (eds.): *Crisis and Democracy. Challenges in Turbulent Times.* Cham: Springer International: 253-271.

Merkel, Wolfgang, Alexander Petring, Christian Henkes, and Christoph Egle. 2008. *Social Democracy in Power. The Capacity to Reform.* London and New York: Routledge.

Merkel, Wolfgang and Alexander Petring. 2012. Toward the Two-Thirds Democracy. *WZB Reports* 1 (Winter 2012/13): 25-27.

Merkel, Wolfgang and Claudia Ritzi (eds.) 2017. *Die Legitimität direkter Demokratie. Wie demokratisch sind Volksabstimmungen?* Wiesbaden: Springer VS.

Merkel, Wolfgang and Sascha Kneip (eds.) 2018. *Democracy and Crisis. Challenges in Turbulent Times.* Cham: Springer International.

Merkel, Wolfgang and Felix Scholl. 2018. Illiberalism, Populism and Democracy in East and West. *Politologický ČASOPIS (PČ) / Czech Journal of Political Science* XXV (1): 1-28. Doi: 10.5817/PC2018-1-28.

Merkel, Wolfgang and Thamy Pogrebinschi. 2018. *Zukunft von Partizipation in liberalen Demokratien.* Paper der Robert-Bosch-Stiftung.

Merkel, Wolfgang and Michael Zürn. 2019: Conclusion: The defects of cosmopolitan and communitarian democracy. In De Wilde, Pieter, Ruud Koopmans, Wolfgang Merkel, Oliver Strijbis, and Michael Zürn: *The Struggle over Borders: A Political Sociology of Cosmopolitism and Communitarianism.* Cambridge: Cambridge University Press (forthcoming).
Miller, James C. 1969. A Program for Direct and proxy Voting in the Legislative Process. *Public Choice* 7 (1): 107-113.

Morozov, Evgeny. 2012. *The Net Delusion: The Dark Side of Internet Freedom.* Philadelphia, PA: Public Affairs.

Mouffe, Chantal. 2000. *The Democratic Paradox.* London: Verso.

Mouffe, Chantal. 2005. *The Return of the Political.* London: Verso.

Mounck, Yascha. 2018. *The People vs. Democracy. Why Our Freedom is in Danger & How to Save it.* Cambridge, MA: Harvard University Press.

Mudde, Cas. 2007. *Populist radical right parties in Europe.* Cambridge: Cambridge University Press.

Mudde, Cas and Cristóbal Rovira Kaltwasser. 2012. Populism: Corrective and threat to democracy. In Cas Mudde and Cristóbal Rovira Kaltwasser (eds.): *Populism in Europe and the Americas: Threat or Corrective for Democracy?* Cambridge: Cambridge University Press: 205-222.

Mudde, Cas and Cristóbal Rovira Kaltwasser. 2017. *Populism: A very short history*. Oxford: Oxford University Press.

Müller, Jan-Werner. 2016. *Was ist Populismus? Ein Essay*. Berlin: Suhrkamp.

Mulligan, Gabriella. 2017. Has the time now come for Internet voting? *BBC News*, 30 May 2017. Available at: www.bbc.com/news/business-39955468. Accessed on 25 May 2018.

Nölke, Andreas. 2013. Spielarten des Kapitalismus. *Peripherie* 33 (130/131): 356-359.

Norris, Pippa. 1999. *Critical Citizens: Global Support for Democratic Government.* Oxford and New York: Oxford University Press.

Norris, Pippa. 2004. *Electoral Engineering.* New York: Cambridge University Press.

Norris, Pippa. 2011. *Democratic Deficit: Critical Citizens Revisited.* New York, NY: Cambridge University Press.

Norris, Pippa. 2014. *Why Electoral Integrity Matters.* New York, NY: Cambridge University Press.

Norris, Pippa. 2015. *Why Elections Fail.* New York, NY: Cambridge University Press.

Norris, Pippa. 2017. *Strengthening Electoral Integrity.* New York, NY: Cambridge University Press.

Noveck, Beth Simone. 2009. *Wiki Government. How Technology Can Make Government Better, Democracy Stronger, and Citizens More Powerful.* Washington, DC: Brooking's Institution Press.

O'Connor, James. 1973. *The Fiscal Crisis of the State.* New York, NY: St. Martin's Press.

Obinger, Herbert. 1998. *Politische Institutionen und Sozialpolitik in der Schweiz. Der Einfluß von Nebenregierungen auf Struktur und Entwicklung des schweizerischen Sozialstaats.* Frankfurt am Main: Campus.

Oesch, Daniel. 2008. Explaining Workers' Support for Right-Wing Populist Parties in Western Europe: Evidence from Austria, Belgium, France, Norway, and Switzerland. *International Political Science Review* 29 (3): 349-373.

Offe, Claus. 1972. *Strukturprobleme des kapitalistischen Staates: Aufsätze zur Politischen Soziologie.* Frankfurt am Main: Suhrkamp.

Offe, Claus. 1984. "Ungovernability:" The renaissance of conservative theories of crises. In John Keane (ed.): *Contradiction of the Welfare State*. Cambridge, MA: The MIT Press: 65-87.

Päivärinta, Tero and Saæbø Øystein. 2006. Models of E-Democracy. *Communications of the Association for Information Systems* 17: 818-840.

Pharr, Susan J. and Robert D. Putnam (eds.) 2000. *Disaffected democracies? What's troubling the trilateral countries.* Princeton, NJ: Princeton University Press.

Piketty, Thomas. 2013. *Das Kapital im 21. Jahrhundert.* München: C.H.Beck.

Piketty, Thomas. 2014. *Capital in the Twenty-first Century.* Cambridge, MA: Belknap Press of Harvard University Press.

Pogge, Thomas. 1992. Cosmopolitanism and Sovereignty. *Ethics* 103 (1): 48-75.

Pogrebinschi, Thamy. 2018. Can Participatory Governance Improve the Quality of Democracy? A Response from Latin America. In Huber Heinelt (ed.): *Handbook on Participatory Governance*. London: Edward Elgar Publishing: 94-119.

Przeworski, Adam. 1986. *Paper stones: A history of electoral socialism.* Chicago, IL: The University of Chicago Press.

Przeworski, Adam. 1998. Deliberation and Ideological Domination. In John Elster (ed.): *Deliberative Democracy.* Cambridge: Cambridge University Press: 140-160.

Przeworski, Adam. 2010. *Democracy and the limits of self-government.* Cambridge: Cambridge University Press.

Rancière, Jacques. 2006. *Hatred of Democracy.* London: Verso.

Rheingold, Howard. 1993. *The Virtual Community. Homesteading at the Electronic Frontier.* Reading, MA: Addison-Wesley.

Rosanvallon, Pierre. 2008. *Counter-Democracy: Politics in an Age of Distrust.* Cambridge: Cambridge University Press.

Rosanvallon, Pierre. 2011. *Democratic Legitimacy: Impartiality, Reflexivity, Proximity.* Princeton, NJ: Princeton University Press.

Rosanvallon, Pierre. 2018. *Good Government. Democracy beyond Elections.* Cambridge, MA: Harvard University Press.

Rovira Kaltwasser, Cristóbal. 2012. *The Ambivalence of Populism. Threat and Corrective for Democracy.* Democratization 19 (2): 184-208.

Rovny, Jan and Jonathan Polk. 2015. *New Wine in Old Bottles: Explaining Party Competition Along the Socio-Cultural Dimension in Europe.* Last presented at APSA 2015, San Francisco. EUENGAGE.

Rovny, Jan and Jonathan Polk. 2017. *Stepping in the same river twice: Stability amidst change in Eastern European party competition for a historical overview of political cleavages.* EUENGAGE.

Ruelens, Anna and Ides Nicaise. 2017. *Economic crisis, social disinvestment and trust in political institutions.* Policy Brief. Re-Invest H2020.

Ruiz-Rufino, Rubén and Sonia Alonso. 2018. Democracy Without Choice: Citizens' Perceptions of Government's Autonomy During the Eurozone Crisis. In Wolfgang Merkel, Sascha Kneip (eds.): *Crisis and Democracy. Challenges in Turbulent Times*. Cham: Springer International: 197-226.

Rydgren, Jens (ed.). 2012. *Class Politics and the Radical Right.* Abingdon: Routledge.

Saward, Michael. 2010. *The representative claim*. Oxford: Oxford University Press.

Saward, Michael. 2011. The wider canvas: representation and democracy in state and society. In Sonia Alonso, John Keane, Wolfgang Merkel (eds.): *The Future of Representative Democracy.* Cambridge and New York: Cambridge University Press: 74-95.

Schaal, Gary S. 2016. E-Democracy. In Oliver W. Lembcke, Claudia Ritzi, Gary S. Schaal (eds.): *Zeitgenössische Demokratietheorie: Eine Einführung. Wiesbaden*: Springer VS: 279-305.

Schäfer, Armin. 2015. *Der Verlust politischer Gleichheit. Warum die sinkende Wahlbeteiligung der Demokratie schadet.* Frankfurt am Main: Campus.

Scharpf, Fritz W. 1999. *Governing in Europe. Effective and democratic?* Oxford: Oxford University Press.

Scharpf, Fritz W. 2013. Die Euro-Rettung als Demokratieproblem. *dms—der moderne staat—Zeitschrift für Public Policy, Recht und Management* 6 (2): 279-288.

Scharpf, Fritz W. 2015. Das Dilemma der supranationalen Demokratie in Europa. *Leviathan* 43 (1): 11-28. Doi: 10.5771/0340-0425-2015-1-11.

Scharpf, Fritz W. 2017. Vom asymmetrischen Euro-Regime in die Transfer-Union—und was die deutsche Politik dagegen tun könnte. *Leviathan* 45 (3): 286-308. Doi: 10.5771/0340-0425-2017-3-286.

Scheuerman, William E. 2004. *Liberal Democracy and the Social Acceleration of Time.* Baltimore, MA: The Johns Hopkins University Press.

Schmidt, Vivien. 2016. *How to theorize democratic legitimacy in the Eurozone crisis.* ENLIGHTEN H2020.

Shapiro, Ian. 2003. *The State of Democratic Theory*. Princeton, NJ: Princeton University Press.

Smith, Graham. 2005. *Beyond the Ballot. 57 Democratic Innovations around the World.* London, Exeter: Short Run Press.

Spittler, Marcus. 2018. Are Right-Wing Populist Parties a Threat to Democracy? In Wolfgang Merkel and Sascha Kneip (eds.): *Democracy and Crisis. Challenges in Turbulent Times.* Cham: Springer International: 97-121.

Stiglitz, Joseph E. 2002. *Globalization and its Discontents.* New York, NY: W.W. Norton & Company.

Stoeckel, Florian and Theresa Kuhn. 2017. Mobilizing Citizens for Costly Policies: The Conditional Effect of Party Cues on Support for International Bailouts in the European Union. JCMS: *Journal of Common Market Studies.* Online First. EUENGAGE.

Streeck, Wolfgang. 2013. Gekaufte Zeit. *Die vertagte Krise des demokratischen Kapitalismus.* Berlin: Suhrkamp.

Streeck, Wolfgang. 2014. *Buying Time: The Delayed Crisis of Democratic Capitalism*. London: Verso.

Streeck, Wolfgang. 2016. *How Will Capitalism End? Essays on a Failing System.* New York, NY: Verso Books.

Tocqueville, Alexis de. 1835. *Democracy in America*. London: Saunders and Otley.

Tormey, Simon. 2015. *The End of Representative Politics*. London: Verso.

Vowe, Gerhard. 2014. Digital Citizens und Schweigende Mehrheit: Wie verändert sich die politische Beteiligung der Bürger durch das Internet? In Kathrin Voss (ed.): *Internet und Partizipation. Bottom-up oder Top-down? Politische Beteiligungsmöglichkeiten im Internet.* Wiesbaden: Springer VS: 25-52.

Vatter, Adrian. 2014. *Das politische System der Schweiz*. Baden-Baden: Nomos.

Van Reybrook, David 2016: *Gegen Wahlen: Warum Abstimmen nicht demokratisch ist.* Göttingen: Wallstein.

Vehrkamp, Robert and Wolfgang Merkel. 2018. *Populismusbarometer 2018. Populistische Einstellungen bei Wählern und Nichtwählern in Deutschland 2018.* Gütersloh: Bertelsmann. (In English available from November 1, 2018 onwards).

Vehrkamp, Robert and Wolfgang Merkel. 2019. *Demokratiemonitor.* Gütersloh: Bertelsmann (forthcoming).

Volkens, Andrea and Nicolas Merz. 2018. Are Programmatic Alternatives Disappearing? The Quality of Election Manifestos in 21 OECD Countries Since the 1950s. In Wolfgang Merkel and Sascha Kneip (eds.): *Democracy and Crisis: Challenges in Turbulent Times.* Cham: Springer International Publishing: 71-95.

von Beyme, Klaus. 2013. *Von der Postdemokratie zur Neodemokratie*. Wiesbaden: Springer.

Wagschal, Uwe und Herbert Obinger. 2000. Der Einfluss der Direktdemokratie auf die Sozialpolitik. *Politische Vierteljahresschrift* 41 (3): 466-497.

Warren, Mark E. 2001. *Democracy and association.* Princeton, NJ: Princeton University Press.

Warren, Mark E. 2009. Citizen participation and democratic deficits: Considerations from the perspective of democratic theory. In Joan DeBardeleben and Jon H. Pammett (eds.): *Activating the citizen: Dilemmas of participation in Europe and Canada.* New York, NY: Palgrave MacMillan: 17-40.

Werts, Han, Peer Scheepers, and Marcel Lubbers. 2013. Euro-scepticism and radical right-wing voting in Europe, 2002–2008: Social cleavages, socio-political attitudes and contextual characteristics determining voting for the radical right. *European Union Politics* 14 (2): 183-205.

Weßels, Bernhard. 2018. Political Inequality in Voting. In Wolfgang Merkel and Sascha Kneip (eds.): *Democracy and Crisis: Challenges in Turbulent Times.* Cham: Springer International Publishing: 49-69.

Wolin, Sheldon. 2008. *Democracy Incorporated: Managed Democracy and the Specter of Inverted Totalitarianism.* Princeton, NJ: Princeton University Press.

Zakaria, Fareed. 1997. *The Rise of Illiberal Democracy*. Foreign Affairs 76 (6): 22-43.

Žižek, Slavoj. 2011. From democracy to divine violence. In Giorgio Agamben, Alain Badiou, Daniel Bensaid, Wendy Brown, Jean-Luc Nancy, Jacques Rancière, Kristin Ross, and Slavoj Žižek (eds.) 2011. *Democracy in What State?* New York, NY: Columbia University Press: 100-120.

Zürn, Michael. 1998. *Regieren jenseits des Nationalstaates: Globalisierung und Denationalisierung als Chance.* Frankfurt am Main: Suhrkamp.

Zürn, Michael. 2000. Democratic Governance Beyond the Nation-State: The EU and Other International Institutions. *European Journal of International Relations* 6 (29): 183-221.

Zürn, Michael. 2011. Perspektiven des demokratischen Regierens und die Rolle der Politikwissenschaft im 21. Jahrhundert. *Politische Viertelsjahresschrift* 52 (4): 603-635.

Getting in touch with the EU

IN PERSON

All over the European Union there are hundreds of Europe Direct Information centres
You can find the address of the centre nearest you at: **https://europa.eu/european-union/contact_en**

ON THE PHONE OR BY EMAIL

Europe Direct is a service that answers your questions about the European Union.
You can contact this service
– by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
– at the following standard number: +32 22999696 or
– by email via: https://europa.eu/european-union/contact_en

Finding information about the EU

ONLINE

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU PUBLICATIONS

You can download or order free and priced EU publications from EU Bookshop at: https://publications.europa.eu/en/publications. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en)

EU LAW AND RELATED DOCUMENTS

For access to legal information from the EU, including all EU law since 1952 in all the official language versions, go to EUR-Lex at: http://eur-lex.europa.eu

OPEN DATA FROM THE EU

The EU Open Data Portal (http://data.europa.eu/euodp/en) provides access to datasets from the EU. Data can be downloaded and reused for free, both for commercial and non-commercial purposes.

The EU's Framework Programmes for Research and Innovation have devoted significant investments towards the study of democracy. This Review presents findings from Framework Programme projects and in general takes stock of European research on the subject matter.

It provides a mapping of results, evidence and recommendations, and assesses the needs and pertinent foci for future European research.

It aims to build on areas of research where there is already a good deal of knowledge. At the same time, it focuses on those areas where there are gaps in our knowledge about the workings of and present threats to democracy.

Studies and reports

Publications Office
of the European Union